Library of The Theological Seminary

PRINCETON · NEW JERSEY

PRESENTED BY

Frederick P. Henderson

HD8376
.S934

Digitized by the Internet Archive
in 2025 with funding from
Princeton Theological Seminary Library

https://archive.org/details/unitydiversityin00stur

Sidney Hillman

Unity and Diversity in European Labor

UNITY AND DIVERSITY IN *European Labor*

LIBRARY OF PRINCETON
JUN 6 1963
THEOLOGICAL SEMINARY

AN INTRODUCTION TO CONTEMPORARY LABOR MOVEMENTS

by Adolf Sturmthal

THE FREE PRESS, GLENCOE, ILLINOIS

Copyright 1953 by The Free Press, a corporation

Printed in the United States of America

Designed by Sidney Solomon

LIBRARY OF CONGRESS CATALOG CARD NUMBER 53-7399

Contents

	Preface	9
I.	The Background	15
II.	Political Labor Movements	37
III.	The Intellectual Development	71
IV.	Working Class Internationalism	91
V.	The Inter-War Period	101
VI.	The New International	115
VII.	Strength and Weaknesses	129
VIII.	Types of Collective Bargaining	147
IX.	Unions and Nationalization	177
X.	Unionism since the War	195
	Appendix	207
	Index	229

Unity and Diversity in European Labor

Preface

RESEARCH and teaching of international labor problems have for a long time been curiously neglected in the United States. The number of publications and of college or university courses in this field has been exceedingly small. Attention has been almost exclusively focused on domestic labor problems, which indeed offered ample opportunity for research and teaching.

Yet important branches of the social sciences could obviously profit a good deal from a better knowledge of foreign labor movements, labor problems abroad, attempted solutions, and their results. To mention only two disciplines of the social sciences that immediately come to mind: the study of international relations and of economics—particularly, but not exclusively, labor economics.

At a time when governments and parties intimately connected with the labor movement dominate the political scene or, at least, are major factors in world political developments, the study of foreign labor movements is an indispensable prerequisite to an understanding of international affairs. Bolshevism, after all, was at least related to the rise of the Russian labor movement—if not a part or one aspect of it—and to follow the evolution of Bolshevik thinking is clearly impossible without intimate acquaintance with the Russian labor movement. At least one of the major issues—perhaps the decisive issue in Western Europe—in the struggle between

East and West is the allegiance of the workers in the Old World. American policy toward Western Europe must be based upon an understanding of their aspirations, their traditions, and ways of life.

Economists may find in international experience a substitute—imperfect, to be sure, but indispensable nevertheless—for the lacking laboratory experiment. Some specialists have indeed long proceeded to study foreign banking, and the like. But it is difficult to deny that we are discussing—e.g., wage policy under full employment—to a very large extent as if the U. S. were the only country confronted with the problem. In fact, however, Britain and the Scandinavian countries—to mention only a few—have produced exceedingly interesting experiments whose results are worth studying.

This is not intended to suggest that foreign experience may serve as a simple guide for imitation. Indeed the main thesis of the pages that follow is precisely that a diversity of tradition, of economic, social, and political conditions will lead to a diversity of solutions even when the problem—as it rarely does—seems identical from one country to another. The attempt to generalize from such diversified experience is nothing to be undertaken rashly, but, to the extent to which it can be done, such generalization presents rich rewards. In addition, the effort to distinguish between the particular and the general is in itself pregnant with understanding.

It follows from these considerations that the main emphasis of this book is on diversity. An attempt is then made to relate diversity to particular factors in the development of the various labor movements and, of course, of the countries in which they arose and operate. This implies a rejection of the thesis according to which labor in some countries is ahead of other labor movements to the point that the present state of one movement may be used to forecast the future of others. There are, I believe, general laws of social development, but

they are neither so simple nor sufficiently well understood in our present state of knowledge to permit such forecasts.

This book is intended as a brief introduction to the study of European labor movements and their problems. Its origin is a series of lectures which I gave first at the New York State School of Industrial and Labor Relations at Cornell University and then in a more extended fashion at the Training Institute of the International Ladies' Garment Workers' Union in New York. The purpose in both cases was the same: to arouse interest and to prepare the audience for further study. This implied extreme economy of presentation; only those problems were discussed, a knowledge of which seemed to me essential for general understanding or for further work in this field. The book is, therefore, neither a history of European labor movements, nor an exhaustive discussion of any particular problem of their evolution. It deals only with a number of selected problems which I considered of particular significance for American students. The starting point in time for the discussion of the evolution of the labor movements is roughly the decade of the 1860's. These self-imposed limitations expose me of course to criticism. Other students may feel that I have neglected problems which they regard as vital.

Such criticism will not trouble me greatly. It is inevitable. In some ways, it will mean that I have fulfilled part of my objective, namely to stimulate interest and lead students to further research.

For their benefit, it may be useful to add a brief list of further readings:

A. GENERAL WORKS:

Galenson, Walter, ed. *Comparative Labor Movements.* New York, 1952.

Lorwin, Lewis L. *Labor and Internationalism.* New York, 1929.

Marquand, H. A. *Organized Labour in Four Continents.* London, 1929.

Perlman, Selig. *A Theory of the Labor Movement.* New York, 1949

Price, John. *The International Labour Movement.* London, New York, Toronto, 1945.

Sturmthal, Adolf. *The Tragedy of European Labor, 1918-1939.* Sec. ed., New York, 1951.

B. SPECIALIZED LITERATURE:

Cole, G. D. H. *A Short History of the British Working Class Movement.* New York, 1927.

Deutscher, Isaac. *Soviet Trade Unions;* their place in Soviet labour policy. London, 1950.

Ehrmann, Henry W. *French Labor From Popular Front to Liberation.* New York, 1947.

Galenson, Walter. *Labor in Norway.* Cambridge, 1949.

Galenson, Walter. *The Danish System of Labor Relations.* Cambridge, 1952.

Gulick, Charles A. *Austria from Habsburg to Hitler.* Berkeley, 1948.

Lorwin, L. L. *The Labor Movement in France.* New York, 1942.

Myers, Charles A. *Industrial Relations in Sweden.* Cambridge, 1951.

Reich, Nathan. *Labour Relations in Republican Germany.* New York, 1938.

Robbins, J. J. *The Government of Labor Relations in Sweden.* New York, 1942.

Saposs, David. *The Labor Movement in Postwar France.* New York, 1931.

Webb, Sidney and Beatrice. *The History of Trade Unionism.* New York, 1920.

Webb, Sidney and Beatrice. *Industrial Democracy.* London and New York, 1920.

C. CURRENT PERIODICALS:

A few deserve special mention: the *Industrial and Labor Relations Review*, published at Cornell; the *Monthly Labor Review* of the U. S. Department of Labor; *Notes on Labor Abroad*, published by the Bureau of Labor Statistics, United States Department of Labor, and the *International Labor Review*, published in Geneva by the ILO; the *Information Bulletin* of the International Confederation of Free Trade Unions in Brussels, Belgium, will be of great interest to the student.

The fact deserves emphasizing that one of the leading unions in the United States, the International Ladies' Garment Workers' Union, has included the subject matter of these lectures in its training program for union officers. This is a symptom of the growth of interest in international labor affairs within the American labor movement. This, in turn, is one of the most comforting facts at a time when the international cooperation of the free world and particularly of the free labor organizations has become an indispensable condition of our survival.

Some of the material presented in the last chapters of this book was obtained in the course of research carried on in Europe by the author under a grant of the Social Science Research Council and as a Fulbright Scholar in France, 1949-1950.

I have made use, in a number of places, of material taken from some of my articles previously published in *The Journal of Political Economy*, *Industrial and Labor Relations Review*, and *World Politicis*.

This manuscript was completed in the fall of 1951. Circumstances have delayed publication. In a few places, I have been able to refer to events of a later date.

Ithaca, New York, ADOLF STURMTHAL
December, 1952

CHAPTER I

The Background

ANY DISCUSSION of European labor movements must begin, I believe, with the statement that there is strictly speaking no Europe. There is, of course, that small peninsula jutting out from the great Asiatic continent to which geographers have given the name of Europe. But to this geographic unity does not correspond a political, social, cultural, or economic unity. Indeed what is most significant for Europe—and what strikes Americans most vividly when they first come to Europe—is the tremendous diversity of this rather small part of the world.

The obvious diversities are those of language, currency, standard of living which one observes when crossing one frontier after another. But closer acquaintance points out deeper variations: those of behavior patterns, of social values, of culture, of history. The diversity between Sweden and Italy, Britain and Bulgaria in most respects is surely no less than that between Britain and the United States. Indeed, in many respects Britain or even Scandinavia is closer to the United States than to the nations of, say, Southeastern Europe.

This applies in many ways as well to European labor. In the strict meaning of the word, this too does not exist. What there is, is a rich diversity of labor movements, with different systems of organization, differences in ideology, and different problems. What can be said about European labor in general, is, therefore, not always very significant. In many cases,

general statements about "European labor" will have to be followed by a number of qualifications or footnotes. For many characteristics are common only to some of the movements or to most of them, but in different degrees.

To a certain extent, this is the result of the growth of the movements. In their early stages when they were small groups of men and women dedicated to common ideas, to a distant objective far removed from their daily experience, they were closer to one another, in spirit and ways of thinking. Even then, with the well-known passion of the sectarian, they often emphasized more the minor points of ideology that separated them than the basic objectives they had in common. But in the process of growing from small sectarian groups into large mass organizations, the labor movements inevitably were "nationalized." They took on the characteristics and, with them, the diversities of the nations in which they developed. Increasing differentiation was the logical accompaniment of growth.

At a higher level of analysis it is precisely these differences among European labor organizations that are of interest.[1] Yet, there are some basic patterns of behavior which European labor organizations—or most of them—have in common and which distinguish them from their colleagues on this side of the Atlantic. These differences are partly the result of the fact that the problems presenting themselves to European labor are different from those in the United States, and partly that they are seen differently, in a different frame of reference, by European and American laborites. It is true, of course, that in Europe as well as in America, the relationship between employer and employee is a basic labor problem. But even this common problem is seen in a different setting and approached in a different way. The European laborite,

1. Cf. Adolf Sturmthal, "National Patterns of Union Behavior," *Journal of Political Economy*, Vol. LVI, No. 6, December, 1948.

the trade union official, the union member, the unorganized worker, the employer, and what is called the general public meet the problems of the employer-employee relationship in a different spirit from that of the United States. It is this difference in spirit which will be the main subject of our discussions. They will show, I hope, that this diversity of approach is the result of different social and political histories. If this view is accepted, it follows that there is no simple "right" or "wrong" way of the labor movement. Clearly, errors of judgment, inconsistencies, misinformation have occurred among labor leaders as often as among any other group of human beings. But, basically, the movements have acted according to the dictates of their own evolution, their history, traditions, and cultures.

Not only the social sciences, but also the act of international cooperation begin with this kind of approach: not to see who is right or wrong, not to find the one, and unique method leading to success, but rather to find out why are the movements different? Why do they act differently?

§ THE LEGACY OF FEUDALISM

IN A SIMPLIFIED and, therefore, overstated way this question may be answered by referring to the fact that, essentially, the United States is lacking a tradition which has shaped the minds of the Europeans, namely, that of feudalism. Moreover, the great battle between the forces of absolutism and those of liberal democracy was fought to a successful conclusion in this country, at an early stage of its history. It is these facts which explain a good deal of the differences in the culture and the social structure between the United States and Europe.

Feudalism took up a period of almost a thousand years in Europe: its decline travelled gradually from the West to the East, beginning perhaps in the fourteenth and fifteenth centuries. In a certain sense, its final demise may be said to have taken place in Central and Eastern Europe as late as the present century. Even where it passed away earlier, it left behind itself the tradition of a society based upon a class hierarchy.[2]

For the feudal society was a hierarchical society, organized on the principle of well-defined classes, related one to another by lines of authority and obedience. The foundation of this society was the relationship of the lord of the manor to the peasantry "grouped in varying degrees of subjection": the villeins, first in number and economic importance; the cottage tenants who "occupied a lower place in the manorial hierarchy," and, highest in rank, the free tenants.[3] A similar hierarchy—though providing for a regulated social climb—existed in the towns where the guilds comprised three district ranks: masters, journeymen, and apprentices. The lords themselves were arranged in hierarchical order, with prelates and lords temporal, knights, earls, and dukes standing at different levels of the social ladder. To each of these levels corresponded duties and rights. The way of life of a person was determined by the rank he held in the social hierarchy. This rank, in turn, was held by the accident of birth. The oldest son of a villein was destined to be and remain a villein. The younger sons would become cottage tenants. Custom, religion, sumptuary laws, and if necessary the statutes of laborers combined to keep everyone in his assigned place and to lay down the rules according to which he was to work and to live—everyone according to his station in life. One's

---

2. In our context, there is no need to enter into the conflict as to the differences between the "feudal" and the "manorial" societies.

3. E. Lipson, *The Growth of English Society*. London, 1949, pp. 5-9.

place in the social hierarchy was the fundamental fact determining one's life.

Attempts to climb up the social ladder were not only difficult, but in some ways regarded as improper. With the major exception of the escape to the town, there were only two ways open for social advancement: learning and—later—soldiering. Learning meant primarily entering the service of the church; soldiering implied hiring oneself out as a mercenary when this profession came into being, at a late stage of feudalism. The main principle, however, was that of living up to the rules of the class to which one belonged, neither pretending to be more nor lowering oneself to an inferior class. The German saying "Cobbler, stay with your last!" expresses public opinion as well as do many other popular saws. This is not simply history; this spirit is very much alive. As a child I saw a play in a Viennese theater written by a nineteenth century playwright, Ferdinand Raimund, still very popular in the early part of this century. It was called "The Peasant Becomes a Millionaire" and showed how foolishly the peasant behaved when he suddenly became rich—and how much happier he was at the end when he had lost his riches. The most famous song of the play ran something like this:

> The other day I saw coming down the street
> A lady dressed in silk and laces.
> I asked her who she was.
> "The innkeeper's cook."
> Pack in your silk and laces!
> March—back into the kitchen
> Is the world upside down?
> A cook belongs in the kitchen!
> Ashes, ashes!

The world was coming to an end when a cook could pretend to be a lady. No less disturbed was Shakespeare in the "Twelfth Night" when Malvolio, anything but a gentleman, dares to aspire to the hand of a lady. To attempt to live above

your station in life was not only bad manners, but a sin. Clearly this spirit was the exact opposite to the American idea of "bettering onself." Getting ahead, trying to advance, making sure that one's son will have a better life than oneself—the spirit of the American culture—would have been alien and obnoxious to feudal society.

This is not a dead past. The centuries of feudalism have left permanent traces in the way Europeans live and think in the twentieth century. The most obvious, though most probably not the most fundamental expression of this legacy, is to be found in the political structure of Europe.

Since the twelfth century, when the Cortes of Castile were called into session, the middle classes acquired some kind of public representation, imperfect and unstable though it was.

> The desires, and interests of nobles, churchmen, landowners, merchants, lawyers, citizens could be expressed in these assemblies. But in what forum could the peasant, the workingman, speak? He had no representation anywhere, in any general or local assembly. . . . (This class) could only express itself by insurrection.[4]

But the struggle for representation of the lower classes took five centuries, beginning with the days of Wat Tyler and the Jacquerie in France, before it succeeded. It is perhaps not generally realized that for a surprisingly large number of European countries equal suffrage for all citizens is a very recent development.

A few examples may be sufficient. In Great Britain universal equal suffrage was essentially established in 1918 or, in the strict meaning of the word, by the reforms of the Labour government after World War II which abolished the so-called University seats, i.e., the right of University graduates to vote twice, once at their residence and once through the

4. Edward P. Cheyney, *The Dawn of a New Era; 1250-1453*. New York, 1936, pp. 140-141.

University from which they graduated.[5] The process of democratization of suffrage started in 1832 with the granting of suffrage to the upper middle classes, proceeded an important step further in 1867 and again in 1884. It was only then that the bulk of the workers acquired full representation in the House of Commons.

Prussia, the largest and in many ways the most important state of Germany—controlling, in fact, the Bismarckian Reich—had, until 1918, the famous "three-class" electoral system. There was universal suffrage for men, but the number of votes which a person was entitled to cast was made dependent—by a system of classification of voters—upon the taxes paid. The total male population of Prussia was divided into three classes, according to the amount of taxes which everyone paid. Each of the classes elected—in indirect elections—the same number of deputies to the diet, but the upper classes consisted of a small number of persons, the lowest class of several millions. It was only in 1918, as a consequence of the revolution, that this system was abolished and universal, free, equal suffrage was introduced in Prussia (for males and females.)[6]

The first election in which there was universal, but unequal suffrage in the Austrian part of the old Austro-Hungarian Empire was held in 1897. It was only in 1907 that elections under equal suffrage took place. The first elections with free, universal, and equal manhood suffrage in

---

5. I do not claim that this last reform was a vital part of the democratization of Great Britain, but the existence of University seats in the House of Commons was a symbol of feudal tradition.

6. "The wealthiest 5 percent of the voters controlled a third of the seats, 15 percent the next third, and the remaining 80 percent the last third. These provisions gave firm control over the legislature (feeble as it was) to rich bourgeois and owners of large landed estates." Peter Gay, *The Dilemma of Democratic Socialism, Eduard Bernstein's Challenge to Marx.* New York, 1952, p. 4.

Italy were held in 1913. The first elections in which the Russians ever had free, equal, and universal right to vote followed the revolution of 1917. Equal suffrage for men and women was established in Sweden, a country that we are accustomed to designate as a country with a democratic tradition, only after 1918.[7] In other words, the most basic requirement of democracy, the one which seems to most of us obvious or self-evident, namely that all citizens have an equal right to vote, is a very recent development over large parts of Europe. Now although free, equal suffrage is a condition of democracy, it is not yet democracy. It is only one of the many requirements of democracy, and, if this one was missing, it is more than probable that indeed many others were lacking. It is doubtful to what extent they still have been achieved in large parts of Europe, even outside the Iron Curtain.

Probably the most important implication of these facts is that capitalism has not been accompanied in Europe by democracy. Indeed, over large parts of Europe, capitalism has appeared distinctly as an enemy of democracy. Perhaps the most capitalistic period in French history was the period between 1830 and 1848, the period of Louis Philippe, the Citizen King, but that was a period in which the workers were excluded from the right to vote; only citizens who had property had the right to vote. One of the great misunderstandings between Europeans and Americans is this very fact: that to Americans, capitalism seems almost synonymous with democracy; it is almost the same thing. Capitalism *is* democracy. But to the European, outside of Great Britain, this is a very dubious relationship; indeed to many Europeans, particularly on the continent, capitalism appears as the enemy

7. Following a political mass strike in May, 1902, a law enacted in 1909 substantially increased the number of those entitled to vote. Fully equal suffrage, however, came only in the wake of World War I.

of democracy; you cannot advocate both at the same time, you either have capitalism or democracy.

Suffrage and the political system are important aspects of democracy, but only aspects of it. Democracy is reflected in many behavior patterns. Having found survivals of feudalism in political behavior in Europe, we may expect to discover them in other contexts.

The European family is different from the American family. On the whole, the family in Europe is an authoritarian system, with an all-powerful father at the top, children without status, and the mother acting as a mediator between the two. Even among the children there is—or, at least, was in the recent past—a ranking of authority according to age and sex. The family thus reflects the traditions of the feudal society. The hierarchy of the family corresponds closely to the order in which the feudal society was arranged.

It is well known that the educational system of Europe was, and to a very large extent still is, an aristocratic one. More will be said about this at a later stage. For our present purposes it is sufficient to point out that, much like democracy, compulsory universal education is a recent development—in most cases the result of the latter part of the 19th century, in some countries as late as the 20th century. Even then clear distinctions were made, and to a large extent still are being made, between the education of children of the lower classes, and that of upper-class children. Education for the two groups had different objectives and various significant privileges were attached to the higher educational level.[8]

A less important, but still significant symptom of the survival of feudal behavior in European society is the notorious respect for titles that is the object of amusement for Americans. It is well known that the British have succeeded in salvaging into the twentieth century historical titles—often no

8. See Appendix, pp. 215 ff.

longer reflecting any status—which even the Labour Government is anxious to preserve. In Germany titles are used in a somewhat extensive fashion so that the wife of a dignitary carries his title. The reason for this is that the title indicates social status. With the aid of the title it is possible to identify the individual's rank on the social ladder. The case of the British railway union leader James Thomas may indicate how deep-rooted the respect for titles is, even among laborites. Thomas, born into a poor working-class family, started work at the age of four. In 1924 the first British Labour Government made him a member of cabinet and gave him the title of "The Right Honorable James Thomas, M.P." For Jimmy Thomas, this meant that in fact the social revolution in Great Britain had been achieved. If a boy of a working-class family could obtain this position high up on the social ladder, then the order of society in Great Britain must have been basically transformed. In a certain sense, this was indeed correct. Along the same line it was Ramsay MacDonald's main ambition during the brief lifespan of the first Labour Government to demonstrate that workers were "fit to govern." For this was indeed questioned by large parts of the British public; in their view only gentlemen had the training and gifts that were necessary to govern the British Empire. The remarkable careers that "public school" graduates or scions of aristocratic families—like Oswald Mosley—made in the Labour movement are symptoms of feudal survivals, as much as the fact, observed by Robert Michels,[9] that Italian workers preferred to vote for intellectual candidates among the Socialists rather than fellow workingmen.

There is great respect for social status even in the European labor movement. But, at the same time, there is underlying its very existence a strong and sustained urge to oppose

9. In *Le Prolétariat et la Bourgeoisie dans le Mouvement Socialiste Italien.* Paris, 1921.

and destroy the existing class privileges. One of the most powerful motivating forces at the origin of the European labor movement has been hatred for the inequities of the existing class society, opposition to social degradation, rather than to economic exploitation. Changing the structure of the existing society was the first and most immediate concern of the rising labor movement.

Perhaps the most primitive way of achieving this was to reverse the order: those who are now at the bottom, go to the top; those who so far were at the top, go to the bottom. In the early stages of the Bolshevik revolution this urge found its elemental expression in the popular terror directed against all those "who had no callouses on their hands." Later this same feeling expressed itself in the privileges attached to birth in a working class family—the exact reversal of the Czarist order of society.[10] In the Austrian revolution of 1918, popular hatred turned against the officers whose insignia were torn off—the symbol of authority in an authoritarian regime.

In a more reflective, more carefully considered way this same urge expressed itself in the egalitarian drive that goes through most of European labor, the struggle for the equality of all human beings, for the abolition of all class privileges, for the establishment of a classless society. This was, of course, a revolutionary objective but in the context of the feudal tradition the mere organization of trade unions was an act of rebellion. For the purpose of organization was to claim rights which went beyond those granted to the worker by his status in society. It followed that of necessity the founders and early members of the trade unions were rebels. They were conscious—and if they had not been, society

10. Access to institutions of higher learning—the symbol of aristocratic privileges—was, for some time, reserved to children of working-class families who, under Czarism, had been excluded from the universities.

would have impressed it upon them by repression—of the fact that they were engaged in an attempt to change the basic principles upon which society rested. Without such change, unions could not exist or at least not operate effectively.

§ THE STRUGGLE BETWEEN ABSOLUTISM AND LIBERALISM

TO CHANGE the structure of their society, the workers required a powerful instrument. The element which gave the search for a tool its direction was the great struggle between absolutism and liberalism.

Absolutism culminated in the period in European history in which the modern nation arose. The feudal society was essentially a loose federation in which each feudal lord was a small sovereign, and the king not much more than one of the feudal lords—the first among equals. By a gradual process the king acquired control over the lords, depriving them of both their privileges and their functions. Their territory was merged into one national territory, their serfs became the subjects of the king.

This process was accompanied by two major developments: the economic policies commonly labelled "mercantilistic" and the tremendous expansion of the king's administrative machinery.

Mercantilism was a combination of economic policies designed to bring about

> political unification and national power. The building up of nation-states is put in the forefront, and monetary, protectionist, and other economic devices are regarded merely as instruments to this end. State intervention was an essential part of mercantilist doctrine. Those responsible for government accepted mercantilist notions and fashioned their policy accordingly, because they saw in them means of strengthening absolutist states against

both the remnants of medieval particularism at home and the rivals abroad.[11]

What is essential in this view of mercantilism for our purposes is the decisive role which government intervention and regulation played in the system. The granting of subsidies and monopoly powers to merchants and industrialists, the detailed regulation of industrial processes, the intervention of the government in the determination of wages and working conditions, the strict supervision of foreign trade—all placed the government in the center of economic life.

Such controls required, made possible, and were made possible by the tremendous growth of the administrative machinery at the service of the king. In the past he was dependent upon the lords for the enforcement of whatever rules or laws existed for the whole country, which meant that, in practice, they were frequently not enforced at all if the lord did not see fit to enforce them. In order to free himself from this dependency on the feudal lords, the king had to set up his own administration. One of the purposes of mercantilism was to provide the king with the necessary funds so that he could expand his civil service. The spirit of this period might be expressed in the philosophy of Frederick II of Prussia: "Everything for the people, but nothing by the people . . . ," to which Lincoln opposed in the Gettysburg Address the slogan: "government of the people, by the people, and for the people."

What this form of society implied was that "I, the king, am the servant of the people," but the people do not know what is good for them. The king has to tell them and in their own interests the subjects have to obey. The administration represents the king; therefore it represents the king's author-

---

11. This is a summary of Professor Heckscher's views (as expressed in his book *Mercantilism,* 1935) by Eric Roll in *A History of Economic Thought,* New York, 1942, p. 58.

ity. The civil servant is the master since he represents the authority of the king. The citizen has duties towards the civil servant who represents the supreme, the sovereign power, the power above all other powers.

Against absolutism arose the struggle of the middle classes under the banner of liberalism. It aimed at the limitation of the power of the state, at equality before the law, at room for the initiative of the individual or of freely constituted social groups, at contract rather than law or state regulation. This great conflict between the principles of authoriy and those of freedom held the center of the stage for several centuries, and is far from being completed. What is significant in our context is the fact that in different countries this struggle had reached different stages of development when the modern labor movement arose.

In England, though by no means completed, the progressive victory of liberalism was assured in the formative years of the labor movement. But in Germany, Bismarck fought the liberal forces to a standstill and finally into a compromise which barely concealed their capitulation. Even in France, the great revolution failed to destroy the authoritarian forces and the battle continued all through the nineteenth century, only to be resumed in the indignity of the Vichy government.

The greater the power of absolutism was that the rising labor movement found itself confronted with, the more obvious was the need for labor's struggle for political power. Where liberalism had progressed the farthest, labor was less compelled to devote its main energies to the struggle for democracy.

At the same time, the surviving absolutist traditions directed the attention of the workers in their search for an instrument of social change toward the state. This was the power which in their own experience had controlled all others. The same power which had ousted the feudal barons,

had helped to bring about the great industrial revolution, and now was being used to "keep the workers in their place"—could it not also be employed to achieve another transformation of society? Then, of course, political power would be of no further use: it would "wither away." The classless society would also be a stateless society; that is, a society in which political power would no longer be used to keep different classes in a previously ordained relationship.

Underlying this analysis is the thesis that the social forms of the past still continue to exert influence upon human behavior, several centuries after the social order giving rise to certain behavior patterns has passed away. This assumption of the continuity of social development may seem to be in open contradiction to the violent breaks that have occurred in European history. But in actual fact human institutions have rarely been completely eliminated in one fell swoop. Behavior patterns change only very slowly; they outlive by long periods the decline of the social relationships with which they were originally connected.

> The oft-quoted expression, 'the end of the middle ages' [writes Lipson] must not be interpreted to imply that there was an abrupt ending either to their characteristic institutions or to their basic economic concepts. These were carried on into the age of mercantilism to provide, in a different setting and with ever-diminishing vitality, the framework of an ordered society—until in the course of centuries, by insensible degrees the old order was completely merged in the new.[12]

The element that seems to last longest is the tradition of social relationships. Only when the latter are broken over prolonged periods, does the tradition decline after them.

The outstanding example of the successful rise of liberalism is England where the absolutism created in the Tudor and Stuart period was broken by the Puritan and Glorious

12. Lipson, *op. cit.*, p. 75.

revolutions. England is also the only major nation of Europe in which the power of the central government was unable to destroy local self-government and where the central government was gradually and for a long period deprived of control of the economy. This open and prolonged break with the tradition of absolutism is reflected in the behavior pattern of British labor. While most continental labor movements have consistently aimed at regulating labor-management relations by way of law or administrative order, the concept of the contract has played in British labor relations a dominant part. Indeed the British union leaders—widely at variance with their continental colleagues—have resisted attempts to introduce the government into the settlement of labor relations. Thus at the Trade Union Congress of Southport, 1943, Ernest Bevin, then Minister of Labor, made a characteristic remark. Referring to the "guaranteed work week" for which the unions were then striving, he said,

> Do not rely on the government only to maintain it. Why not weave it into your collective agreements at the earliest opportunity; we are not anxious to have the duty of enforcing it by law. Do not turn the rising generation too much to the law and not enough to you. One principle in this connection we have tried to maintain is self-government in industry.

This would sound familiar to American trade unionists, but it would come as a surprise to most continental laborites. We shall see time and again British labor follow a different course from the continental working class movements.

This analysis will enable us also to understand why American labor—after many efforts to follow in the footsteps of the European movement—has ultimately developed organizations with a spirit of their own. It is true, of course, that the men and women who migrated from the old world to the United States carried with them the feudal tradition with which they had grown up. But taken out of its context and

under the conditions of a rapidly expanding country, the European legacy could not long survive. Not only were many of the immigrants rebels by nature who rejected the values of the European society from which they were trying to escape, but also the feudal relationships were broken up by the migration. With the former lord and master three thousand miles away, the frame of reference into which feudal relationships could have fitted was lacking. Moreover, in much the same way as labor shortage in the wake of the Black Death had paved the way for the downfall of feudal exploitation, the chronic labor shortage of the expanding colonial economy gave the immigrants a tremendous advantage in their struggle for social and economic advancement. Finally, the spirit of the frontier was clearly incompatible with feudal tradition. The values of the strong personality, of initiative, and of voluntary cooperation were in open contradiction to the authoritarian discipline of the feudal society. In the long run, the aristocratic tendencies of the Tidewater society could not win out against the democratic spirit of the backwoods.

It is true, also, that the spirit and the policies of absolutism were transferred from Great Britain to the American colonies. But the history of the United States in the proper sense begins with the revolution against this system and this spirit—after they had been gradually and systematically undermined by the resistance of the colonial assemblies. At the beginning of American independence stands the revolt against absolutism. The opposition between the American revolution and absolutism could not be stated more clearly than in Thomas Paine's *Common Sense*: "Society in every state is a blessing, but government, even in its best state, is but a necessary evil; in its worst, an intolerable one." Absolutism is the enemy that America has traditionally opposed; it is an alien part of

American history, one that America rejected if not altogether at the time of the revolution, so soon afterwards. But absolutism is an organic part of the history of the European continent.

The feudal tradition impressed upon European labor the fact that it lived in a class society which assigned to the worker the lowest status of all major social groups. Socialist propaganda did not have to invent the class concept—it was part of the daily experience of the workers, demonstrated to him in thousands of ways, by political, social, and economic discrimination. All the Socialists had to do was to point up the facts of life to the worker, put them into a conceptual frame, and make him aware of the idea that by the process of organization he could revolt against the class society and transform it into one free of class distinction and discrimination. Class consciousness was universal in Europe. The Socialists did not have to invent it. All they had to do was to point it out to the worker.

Modern labor organizations, in their formative years, found in different countries the great struggle between absolutism and liberalism in different stages. Where the battle was still in progress and its outcome uncertain or where liberalism had failed in its mission and come to dishonorable terms with the absolutist enemy, the primacy of political action was obvious to the workers. The necessary prerequisite to the social and political equality of the workers, to effective union action and to social change was for the workers to obtain control over the state and to use it for their purposes—as other classes had done before in history in their struggle for emancipation. To obtain control of state power, the workers had to free themselves from political disqualification. They had to obtain the right to vote, to abolish the voting privileges that gave preponderant influence upon the government to the upper

classes. Only on that basis could trade unionism be firmly established and operate effectively. Political action had to set the pace for the entire labor movement.[13]

For the British workers, political action had a different meaning. The need for it did not arise out of the struggle for democracy—the main battles for that objective had been won when the Labour Party came into being. Political action was needed, the British unions felt, to safeguard the established bases of union activity and to supplement it in spheres which the traditional devices of the labor union could not reach. Political action was, therefore, an instrument of the unions and intended to be subordinate to them. The Party was a creation of the unions.

§ THE ECONOMIC MILIEU

TRADE UNIONISM has a long history in Western Europe, particularly in Great Britain and to a certain extent in France. But many of these early organizations had only a temporary existence. Permanent organizations of a national scope arose typically in the '60's and '70's of the last century. The programs and ideas of the movements were developed even later, mainly in the last quarter of the nineteenth century. A rapid glance at the history of the trade union movements and socialist parties in Europe indicates that the large majority of the national trade union confederations and of the socialist parties was established roughly between 1875 and 1895.[14]

This, however, was a period of long-drawn out economic

13. See below, page 37 ff, for a further discussion of this point.

14. Of 37 European Socialist parties affiliated with the Labor and Socialist International in 1931 all but six were founded during the period between 1873 and 1892. Of the remainder four were formed between 1898 and 1900, shortly after the point of inflexion of the Kondratieff cycle. The two exceptions—Iceland and Luxembourg—are of little significance.

difficulties. Modern business cycle theory speaks of long cycles (often referred to as "Kondratieff cycles") lasting some fifty years. During the upward swing of the Kondratieff the periods of prosperity are long and intense, the crises not very pronounced and the depressions brief and weak. When the Kondratieff cycle declines, the reverse holds true: prosperity is brief and weak, crises are sharp, and depressions are severe and prolonged.[15]

Business cycle theory places the beginning of a declining Kondratieff cycle into the year 1873 and the upswing of the next cycle into 1895-96. In line with this the years between 1873 and the middle of the '90's are "bad years"[16]—prosperity is brief and weak, depressions severe and prolonged.[17] This fact greatly affected the ideology of the rising labor movement precisely during the years of its formation.

Periods of depression are, for obvious reasons, unfavorable to the progress of trade unionism. In the history of American labor the great crises of 1837 and 1857 have played significant parts; after each crisis, the movement had to start all over again. Few unions managed to survive these economic blizzards. When mass unemployment exists, unions fail not only to advance but also often to maintain existing money wage levels and advances in the working conditions obtained during the preceding period of prosperity. The longer the depression lasts, the more frequent the crises, the less favor-

---

15. For those who reject the theory of the Kondratieff cycle, it may be just as well to refer simply to the fact that the period between 1873 and the middle of the '90's was characterized by prolonged and severe depressions and short, weak recoveries. Cf. below the presentation of Max Beer.

16. See e.g. Alvin H. Hansen, *Fiscal Policy and the Business Cycle*. New York, 1940, p. 30.

17. Max Beer in his *Allgemeine Geschichte des Sozialismus*, Berlin, 1924, p. 480, speaks of a "long drawn out period of economic and political crisis, interrupted by only a few years of prosperity . . . which was one of the main reasons for the re-awakening of the Socialist movement in Western and Central Europe."

able is the situation from the trade unions' point of view. Unable to produce demonstrable advantages for their members, the unions suffer a loss of membership which time and again destroys their organizations.

This economic climate gave the European labor organizations a long-lasting imprint.[18] It made them susceptible to the idea that within the framework of the existing society permanent improvements in the situation of the working class were impossible. Only a fundamental transformation of society could ensure that the workers' lot improved permanently. In other words, the economic situation in which the labor movement arose in its modern form made it susceptible to Marxian ideas. What has been outlined above are essentially some of the elements of Marxism that were accepted by the bulk of the European labor movements—though by no means everywhere and not without intense struggle.

18. The counterpart in American history would be such movements as the Grange and the Populists, although the '90's were also one of the high points of Socialist strength in the American labor movement. What is significant and challenging for the social historian is the fact that in the United States the movement of rebellion was under the leadership of farmer-debtors struggling against "monopoly power," while the European counterpart was an anticapitalist movement. It would lead too far to go into the factors that may explain this difference, but in a general way they could be found in the areas which we were just exploring.

CHAPTER II *Political Labor Movements*

FROM ITS INCEPTION the European labor movement was a political movement with the exception of Great Britain which later joined its brethren on the continent. This term "political movement" requires analysis, however, before we can proceed. It seems to involve three different meanings. In the first place, European labor places relatively greater emphasis on political methods of action, and lesser emphasis on economic means of struggle than the American labor movement. For Samuel Gompers and American business unionism "the politico-legislative arena (was) a place where labor can merely pursue a mirage."[1] This was the conclusion at which Gompers arrived after what he regarded as the failure of all political labor movements in the United States during the nineteenth century. For reasons that are firmly rooted in the history of Europe and in the economic conditions of the last quarter of the nineteenth century, European labor arrived at exactly the opposite line of conduct.

Second: the term "political labor movement" refers to labor's independent political action, the organization of a political party of the working class. Once again we meet a basic difference between American and European labor. American parties are typically coalitions of several social

1. Selig Perlman and William H. Knowles: "Unionism in the Postwar Period," in *Problems of the Postwar World*. T. C. T. McCormick, ed., New York and London, 1945, p. 41.

groups. European parties—as a result of the late development of democracy—are traditionally class parties which represent particular social groups. This is most evident in the case of parties which existed during the time when workers were excluded from suffrage. But even in the "People's parties" which have come into being at a later stage and claim to represent the interests of all social groups, the workers in their great majority have seen organizations directed by the upper classes and at their service. To set up political parties of the workers in opposition to all others seemed, therefore, a vital necessity to many European workers.

In the third place, "political unionism" implies trade union organizations which aim ultimately at a transformation of society, a deliberate change of the social order according to principles stated in advance. Any powerful trade union movement will by its existence and operations change the social order even though it may not aim to do so. The American labor movement which clearly accepts and endorses the social system of the United States has undoubtedly done a good deal to change it. But these alterations occurred as a by-product of trade union action rather than as the result of conscious policies with previously determined objectives. European labor, however, as we have seen, has arisen as a social reform movement, indeed a social revolutionary movement in its early stages, and has maintained to this day its reform character.

The European labor movement presents itself, therefore, in at least two, sometimes three or four forms: the trade union movement and the political party of the working class are standard forms; consumers' cooperatives—sometimes also producers' cooperatives—and mutual insurance organizations are often other kinds of workers' organizations. But the main pillars of the movement were the unions and the political party variously labelled Social-Democratic, Socialist or Labor Party. The relationship between these two kinds of organiza-

tions is one of the main problems of European labor. It has become one of tremendous significance to American policy as well since another political party, the Communist Party, is disputing the Socialists' influence upon the unions. In a number of European countries, particularly countries with a sizeable Roman Catholic population, Catholic and other parties have endeavored to establish unions that were in some way related to them. As a result, many European countries have known at some time or other divided trade unions separated from one another by political or politico-philosophical principles. This division is, in many European countries, one of the basic facts of the union movement; it affects the nature of labor-management relations, of labor legislation, the political life of the country, the policies of the unions, and their international relationships. It is impossible to study and understand European labor and its problems without continual reference to the political aspects of the movement.[2]

Our first task is, therefore, to study the various kinds of relationships between unions and political parties of the workers. As a starting point from which to work backwards and forwards, the interwar period has certain advantages. During that period, it was possible to distinguish four patterns of relationships: the British, the German, the French and—overlapping with the others—a Communist pattern.

§ THE BRITISH PATTERN

THE BRITISH PATTERN is the result of the fact that it was the unions which created their political party—rather than

2. At this point it is perhaps useful to point out that the word "political" has in Europe an entirely different connotation from the colloquial use of the term in the United States. European politics—perhaps because it was for a long time aristocratic politics—has a highly ideological, philosophical, perhaps in some cases even mystical character. The term "politics" has a positive value; a political career is a highly desirable one to which the intelligentsia devotes itself with great eagerness.

men of primarily political inclination who created the unions as in many countries of the Continent. The organization of the Labour Party was the result of a long development. When the British unions emerged in 1824 from the prohibitions imposed by the Combinations Act, they soon discovered that, in spite of the legal existence now granted them, they still ran the risk of being declared illegal associations, since their objectives might be considered as restraints of trade. The emphasis of the movement was, therefore, put on political objectives, primarily the right to vote. The main expression of this mood was the Chartist movement. But in the late 1840's this movement petered out. The labor movement which re-emerged out of this defeat was conservative unionism which continued to demand the abolition of legal and political disqualifications of the workers, better educational facilities, but mainly operated as American business unions do. Since 1868 the unions have met in an annual Trades Union Congress to coordinate in particular their policies with regard to the legislature.

When the Reform Act of 1867 first granted suffrage to some working-class groups, movements for independent political action arose, primarily in the form of Socialist propaganda societies. Of these, three became significant: the Marxian Democratic Federation founded by Henry Hyndman, in many ways the least successful of the three; the Fabian Society about which more will be said in a later chapter; and the Independent Labor Party (ILP) under Keir Hardie, a Scottish mine leader. It was primarily the result of the work of the ILP that in 1900 the Labor Representation Committee was set up by a group of unions with the assistance of the Socialist societies. Its first Secretary was James Ramsay MacDonald. Out of this committee emerged in 1906 the British Labour Party.

It is perhaps interesting to note that the statutes of many

unions themselves describe their aims in such terms as the establishment of democratic socialism, and of collective ownership, while others pledge themselves to support "policies which will ultimately give the workers ownership and control of industry, such as amalgamation and national guilds."[3]

As a result of the way by which it came into being the Labour Party has a peculiar structure: the unions are "collectively affiliated" with the British Labour Party which means that—with the exceptions to be noted below—their members pay two kinds of dues: a trade union fee and the so-called "political levy."

Affiliation with the Labour Party occurs on the local and on the national level; i.e., the local union branch may form a part of the local Labour Party organization, while the entire union joins the national Labour Party. The payment of the Party dues is done on the basis of "contracting out," while under the rule of the now rescinded Trade Union Act of 1927 the system of "contracting in" prevailed. These somewhat mysterious formulae refer to the way in which the individual union member may free himself from the obligation to pay the "political levy." Up to 1927 and again since 1945 when the Act of 1927 was repealed, a union member who does not wish to pay the levy has to state so in writing. Unless he does so, he is bound to pay the fee. Under the Act of 1927, the assumption was that the member would not pay the fee unless he stated in writing that he intended to do so—he had to "contract in."[4] The intention of the Act was, of course, to reduce the number of union members paying the political levy and thereby to weaken the Labour Party. In this respect, the Act was quite successful. While in 1927 some 3.2 million union members were affiliated

---

3. Barou, *British Trade Unions*. London, 1947, p. 131.

4. A somewhat similar principle was expressed in the "union shop clause" in the steel settlement in the United States in 1952.

with the Labour Party, their number dropped to 2 million in 1928. By 1945 it had risen to 2.2 million which represented 82 percent of the Labour Party's total membership, but the proportion of union members affiliated with the Party had continued to drop. The change from "contracting in" to "contracting out" in 1945, following the repeal of the law of 1927, has led to an increase of union membership in the Party to almost 5 million out of a total of 5.7 million in 1950.[5]

Nevertheless, the share of union members in the total Party membership has shown on the whole a downward trend since the twenties, mainly because the Party introduced in 1918 a system under which individual membership in the Labour Party became possible. Up to this time the Party consisted exclusively of organizations such as unions, socialist societies, etc. The Party was thus a kind of holding company of organizations: trade unions, cooperatives, socialist societies—among them the Independent Labour Party and the Fabian Society. Anyone who wished to join the Party could only do so by becoming a member of one of the affiliated organizations. This downward trend of the proportion of union membership in total Party membership was interrupted by World War II when nearly half of the individual Party members dropped out of the Party; but the trend resumed after the end of hostilities. The Party, though still vitally dependent upon the unions, is no longer a mere holding company. It is also the expression of the will of

---

5. Political funds have to be kept separate from all the other trade union funds under an Act of Parliament of 1913, which followed the famous Osborne case. Osborne was a trade union member who sued the union which wished to compel him to pay a political levy in favor of the Labour Party. The House of Lords, acting as a judicial body, decided that such compulsion was unlawful. The House of Commons, however, enacted legislation which permitted unions to levy political dues, provided the union members could "contract out" and that political funds were administered separately from all other funds. The majority of the union members must, however, vote in favor of affiliation with the Labour Party.

several hundred thousand of individual members. Even so, about 90 percent of the party members are also union members.

In line with this development the composition of the Party Executive was changed in 1937. Up to then, the Executive consisted of 12 trade union representatives, and 11 others. In 1937 two further members were added to the nonunion group. Nevertheless, the unions continue to control the majority of the Executive, since a number of the 13 nonunion members are elected by the Party Conference as a whole—others only by the category which they are supposed to represent. The Party Conference continues to be dominated by the unions. Their vote is a "bloc" vote, the entire voting strength of the union being counted the way its majority decides, without regard for minority opinion. On many issues, however, the union vote is likely to be split, some unions voting one way, others the opposite way. But altogether the voting strength of the unions is sufficiently large to ensure that Party policy cannot depart for too long from union requirements.

Unionists are of course strongly represented among the Labour Party members of Parliament. Candidates are adopted by the local labor parties, but require the endorsement of the Labour Party Executive. This provision has served during the last few years primarily to prevent Communists or fellow-travellers from being adopted—under the guise of union membership—as Labour Party candidates.

In the 1918 election, out of 57 Labour members of Parliament, 49 were trade unionists, of whom 25 were mineworkers. In 1935 the proportion was down to 80 unionists out of 152 members of Parliament. Ten years later 120 (roughly 30 percent) of the 393 Labour seats were held by trade unionists. The miners continue to be the strongest trade union group in Parliament (33 seats). The unions are finan-

cially responsible for their candidates and only those candidates whose election expenses are paid for by unions are considered union representatives. A large number of those not counted as union representatives are members of trade unions and some part of their financial support has come from unions as well, by way of the local labor parties.

Union influence upon the Labour Party is thus ensured by a number of devices: union "bloc" votes at Party Conferences; union representation, direct and indirect, in the Party Executive and in the Parliamentary Labour Party (the group of Labour Party members in Parliament); union participation in the work of the local labor parties. In addition, the most important issues affecting the entire movement are dealt with by the National Council of Labor on which the supreme union authority, the General Council of the Trades Union Congress, is represented as well as the Party Executive, the Executive Committee of the Parliamentary Labour Party, and the Central Board of the Cooperative Union. Each of these bodies must ratify decisions of the Council before they are binding.[6]

Financially the unions provide the biggest support of the Party, both nationally and in the constituencies. Clearly it would be difficult, if not impossible, for the Party to oppose in the long run the desires of the unions as a whole or even of a bloc of the large unions, though the initiative for the framing of policy comes most frequently from the Party. The Labour Party is and remains essentially a party of trade unions although for a victory it is dependent upon middle class votes and must, therefore, take them into consideration.

The British pattern of collective union affiliation with a political party was applied with some modifications during the interwar period in Belgium and Hungary, but has ceased

6. There are also representatives of the Party on a union committee and vice versa of the unions on a Party committee.

to function there since. It continues to exist in Norway where 45 percent of the total Labor Party membership is provided by collective union affiliations, and in Sweden where affiliated unions represent 66 percent of the membership of the Social Democratic Party. No collective affiliation of unions exists, however, in Denmark.[7] The most recent developments with regard to this pattern will be discussed at a later stage.

§ THE GERMAN PATTERN

WHILE IN BRITAIN the political party is the creation of the unions, almost precisely the opposite may be said about the German trade union movement. If not always—strictly speaking—created by the political parties, the unions were often set up by men, often workers, primarily interested in promoting political ideas. The main role in this respect was played by Social Democrats, although a small trade union group of a liberal philosophy—the Hirsch-Duncker unions—preceded the rise of the Socialist-led unions. The Hirsch-Duncker unions set up in the 1850's and 1860's aimed at introducing in Germany the methods and the conservative philosophy of the then-existing British unions. But they found little support. Far greater was the success of the Social Democrats, particularly after the two hostile Socialist factions, the followers of Lassalle and the Marxians under August Bebel, had merged in 1875. Other parties followed in the wake of the Socialists. After the Socialist-led unions had decided, in 1890, to form a central organization (the "Gen-

7. Cf. Walter Galenson, *The Danish System of Labor Relations*. Cambridge, 1952, p. 44 and note. At the Swedish Social Democratic Party congress of June 1952, it was reported that 31.7 percent of the members of the Trade Union Federation (Landsorganisationen) are collectively affiliated with the Party.

eral-Kommission" whose guiding spirit was Karl Legien) the Catholic Center Party followed in 1894 with the establishment of a federation of Catholic unions. To these three currents were later added nationalist unions, mainly among the white-collar workers, and for a brief period during the 1920's the Communists made an attempt to establish their own unions as well. An approximate impression of the numerical relationship among the main currents may be obtained from the following figures: At the height of their interwar strength, in 1920, the Socialist-led unions which called themselves "free unions," had 7.9 million members; the Christian unions, 1.1 million and the liberal unions, 0.2 million. Six years later the "free" unions had 4 million, the Christians 0.5 and the liberals less than 0.2 million. The drop in total union membership thus affected "free" and Catholic unions in about the same proportion.

Political ideas thus controlled the life of the unions. "The German trade union movement was born under the sign of the ideological struggle, of the conflict among political ideas. . . ."[8] It follows that in the first phase of the life of the unions, roughly up to 1905, the political party claimed and had the leadership of the unions. The mechanism by which this influence was exerted consisted essentially of two elements: the union leaders were members, often leading members, of the Social Democratic Party and the most active part of the union membership consisted of workers whose first loyalty belonged to the Party. In turn, the unionists were aware of the fact that only by political means, and thus by the development of political power, could they remove the legal and social disqualifications of the worker, many of which decisively hampered the growth of the unions.

In 1867 the North German Federation had adopted an

8. Robert Goetz-Girey, *Les Syndicats Ouvriers Allemands après la Guerre*. Paris (no date), p. 11.

Industrial Code—later extended to the entire Reich—whose Article 152 recognized the workers' right to organize; but the recognition applied only to workers in industry proper, not those in transportation, commerce, agriculture, and the professions. Moreover, the Code did not prevent employers from requiring "yellow-dog" contracts or other private arrangements to keep workers out of unions. The Code was Federal law and state laws could go a good deal further to restrict the workers' right to organize. Most importantly, Article 152 was followed by Article 153 which provided stiff penalties for those who would compel by force or insults workers to take part in agreements or would prevent them from withdrawing. Professor Lujo Brentano coined the famous phrase that "German workers enjoy the right of combination, but when they make use of it, they are punished."[9]

Under the circumstances, the Socialist leaders could convincingly state that the political struggle of the workers had precedence over the economic. Thus Wilhelm Liebknecht said, "We are all in favor of the unions, but one should not have the illusion that they alone will ever be strong enough to break the power of the capital. It cannot be defeated on its own soil. . . . We have to tear away from it the power of the state; this can only be done by a political struggle." August Bebel, at the Congress of Cologne in 1893, pointed out that "against a power as well organized as Krupp (the great steel and armaments manufacturer in the Ruhr), the trade union movement cannot be successful." And Karl Kautsky, the theoretician of the Social Democratic Party, added that if the unions were to develop into a movement of the "workers' aristocracy," as in Great Britain (i.e. organizations of the best-paid skilled workers), they would achieve

9. See Sturmthal and Wunderlich: article "Germany" in the *Encyclopedia Americana.*

little for the working class; indeed they might retard its progress.

The unions appeared thus in a subordinate position to the party. They served partly, by improving wages and working conditions, to make the workers capable of effective action since it was well known that workers living under miserable conditions were unable to take an active part in the working class organizations; partly the unions were regarded as a recruiting ground for the Party. Once introduced to working class organizations by his membership in the union, the worker became more susceptible to party propaganda.

This view of the subordinate role of the unions found powerful support in the "anti-Socialist laws" of Bismarck. These "exceptional laws" against the "publicly dangerous endeavors of Social Democracy" paralyzed the life not only of the political organizations, but also of the trade unions. Once again it was shown to the workers that politics was decisive for their fate, and that the success of the economic struggle depended on political action. Under the leadership of August Bebel and Wilhelm Liebknecht, the party successfully resisted the laws: in 1890, after years of "underground" struggle, the laws were not renewed. The political and union organizations re-emerged far stronger than before.

The progress of the trade unions following the expiration of the laws, their growing ability to influence wages and working conditions by way of collective bargaining, the growth of their membership, and the increasing strength of their financial position greatly enhanced their self-confidence. This evolution was furthered by a number of factors: the favorable economic development since the middle of the 1890's which improved the bargaining position of the unions with the result that union membership by 1907 reached the figure of 1.86 million and that the unions succeeded in con-

cluding more than 5,300 collective agreements covering more than 110,000 plants and almost a million workers; the growing power of the Social Democratic Party made the public administration less effective in its resistance to union activity; at the same time intense internal divisions within the Social Democratic movement—the conflict between the Radicals and the Revisionists, and the debates on the "mass strike"—reduced the authority of the party with regard to the unions. As a result, Party and unions finally agreed on the so-called "Mannheim Declaration" of 1906 which consecrated the equality of Party and unions:

> The unions are indispensable for the improvement of the class situation of the workers in the bourgeois society; they are no less necessary than the Social Democratic Party which must carry on the struggle for the rise of the working class and its equality with the other classes of society on the political level. . . . The two organizations must come to a full understanding in their struggles and collaborate.

The two executives must come to agreements on combined actions. On this basis of full equality the two organizations cooperated effectively and quite harmoniously to the end of the Weimar Republic, though events in the wake of World War I caused the unions to cancel the Mannheim agreement.

The crucial event was the division of the Social Democratic Party during and immediately after World War I into Majority and Independent Socialists. During the war, the union leaders strongly supported the Majority Socialists and considered them the legitimate successors of the old united Social Democratic Party. After the war, however, the Independent Socialist Party grew rapidly at the expense of the Majority Socialists. Some trade union leaders, among them the President of the powerful Metalworkers' Union, were members of the Independents. At the union Congress in Nuremberg, 1919, the unions were compelled to adopt a more cautious

attitude toward the Socialist division, in order not to be drawn into the quarrel among the Socialists. They declared "the religious and political neutrality of the unions" and proclaimed the end of the Mannheim agreement. "Its basis was a united representation of the political interests of the German workers; this condition is no longer present. . . . The trade union congress is, therefore, compelled to express the neutrality of the unions with regard to the political parties." But it is important to realize that "neutrality" meant a refusal to choose between the two Socialist parties, and not between the Socialists and other parties; the Socialist parties continued to be regarded as the only parties representing the workers, and the unions continued to reject "nonpartisan unionism." To support a Socialist party was, even then, the duty of the trade unionists. ". . . If we are compelled to loosen the ties connecting us with the Social Democratic Party because there is a plurality of Social Democratic parties, we do not intend to say that we wish to change anything in our fundamental attitude towards socialism and the class struggle."[10] Cooperation thus continued, but in a loose, less systematic way.

Indeed, as soon as the two Socialist parties were reconciled, the unions resumed their former collaboration with the united party, rejecting cooperation with the Communists, and, of course, the "bourgeois parties." When they recommended candidates for public elections, they recommended only Social Democrats. The German Trade Union Federation (ADGB)—into which the old "General Kommission" had been transformed in 1919—identified the recommended candidates as Social Democrats; the confederation of free "white-collar" unions (AFA) and that of the civil servants unions (ADB) set up at the same time referred to the candi-

10. Proceedings of the Nuremberg Congress, p. 405. Selig Perlman, *A Theory of the Labor Movement*. New York, 1949, pp. 94-117.

dates only by name—but the candidates recommended were consistently only Social Democrats. As the President of the ADGB, Theodor Leipart, put it at the Congress of Breslau, the unions had to do so, because "we were and are convinced that of all political parties, the Social Democratic Party is the only one which defends consistently the real interests of the working people." Moreover, without officially renewing the old Mannheim agreements, Party and unions decided jointly that their Presidents take part mutually in the meetings of their Executives. Finally, "free" trade union leaders were consistently members of *one* political party only: the Social Democratic Party. Trade unionists filled the ranks of the Social Democratic deputies: 51 of 165 in the national Assembly of 1919; 83 of the 100 Social Democratic deputies elected in 1924 were trade union members.[11] The only other party represented among the trade union leadership—on the whole only among second- or third-rank leaders—was the Communist Party: an insignificant minority, e.g., three delegates at the Congress of Breslau. However, the Communists played a larger role among the works' councillors elected in the factories. None of the "free" trade union leaders was a member of a "bourgeois" party.

The German pattern of union-party relationship evolved thus into cooperation among equals. Trade union leaders were also party leaders. The organizations were mutually represented in their top executive organs. The unions regarded the Social Democratic Party as their representative in the legislative bodies and, in exchange, recommended to their members to vote for that party. In particularly crucial situations the top leadership of both met in a joint assembly to take decisions which might affect the life of

11. *Gewerkschaftsarchiv*, No. 2, 1924, p. 113. The number of trade union *leaders* among the deputies was of course much smaller, e.g. 19 in 1920, 15 in 1924.

either Party or unions. There is little doubt that the unions, on the whole the wealthier of the two organizations, provided financial support for the Party.

With variations in detail this pattern prevailed in most of the Germanic and Slav countries of Europe: in Austria, Switzerland, Czechoslovakia, Poland, as well as in Denmark, whose labor movements were in general greatly influenced by that of Germany. Thus in Austria, the leader of the largest union, that of the metalworkers, was traditionally a Vice president of the Social Democratic Labor Party, the leader of the railwaymen, a member of the Party Executive. In Denmark all trade union leaders are members of the Social Democratic Party. The Party delegates two members into the 23 member Executive of the Trade Union Federation.

The Christian unions of Germany were somewhat less closely tied to the Catholic Center Party. They did reject on the Left the "Marxian" parties, the Social Democrats and the Communists, and warned their members against voting for these parties. On the Right, however, the frontiers were less clearly drawn. Although the Christian unions rejected the Hitler party and the Pangermans, there was still a number of parties left among whom their members could choose. In fact, however, the bulk of the votes of Christian union members went to the Center Party and its Bavarian ally, the Bavarian People's Party. Although Catholic union representatives held important positions in the Center Party, the relations between that Party and the unions were never as intimate as those between Socialists and "free" unions. Indeed open disagreements between Center and Christian union leaders were by no means rare.

Even between Socialists and "free" unions disagreements were not lacking. They were frankly discussed during the debates on the "mass strike" prior to the Mannheim agreement. But to a large extent this was more in the nature of a

disagreement between union leadership and one wing of the Party, rather vocal, but not in control. New disagreements appeared in the 1920's when the proposal for a special trade union party was made to prevent the unions from being drawn into the conflict between Majority Socialists and Independents. The proposal was decisively rejected. Some trade union theoreticians such as Lothar Erdmann and Karl Zwing maintained a consistent attitude of reserve toward the Party. But the bulk of the unionists, including the second and third rank officers, were firmly committed to the Party. It was only toward the end of the Weimar period that the entire union-Party relationship was seriously questioned. Some of the union leaders held the futile hope that by a separation from the Party they might save their organizations from dissolution by the new regime. But this was a counsel of despair when everything was lost rather than a well-considered policy.

§ THE FRENCH PATTERN

ALTHOUGH the French labor movement has a long history, its modern organizations did not emerge until the most immediate effects of the defeat of the Commune, the great uprising in Paris in 1871, were spent. When the unions began to reorganize after the crushing debacle of the Commune, they started somewhat in the spirit of the British trade unions, cautious, concerned almost exclusively with corporate interests, dubious as to the possible results of political action.[12] But under the leadership of Jules Guesde and Paul Lafargue Marxian propaganda became active in France, although the collectivism of Guesde was not always regarded as a faithful

12. See the discussion of the Congress of 1876 in Jean Montreuil, *Histoire du Mouvement Ouvrier en France des Origines à Nos Jours*. Paris, 1946, p. 130.

reproduction of Marxian ideas. Marx's ideas had only limited influence upon the French workers: they had met with the competition of a multitude of Socialist ideas deriving from Proudhon, Blanqui, Louis Blanc, and many others.

It was particularly Proudhon and Bakunin—the old foes of Marx within the revolutionary movement—who acquired a good many disciples in France. They were Socialists: they opposed capitalism and aimed at a new society. But they were anarchists: their idea of the "good society" was basically different from that of Marx and they opposed the use of the ordinary political devices. "Do we accept the Parliament? No. Do we accept working class representation? No. Do we accept representation in the municipalities? No. . . . If we ask the State to intervene to set the workers' wage do we not recognize the State's right to exist?," asked the anarchist speakers at a Congress in 1880. The State has no right to exist; for it is merely a device of social oppression, just as representation is merely a device for deceit and misrepresentation. On most of these points Anarchists and Marxians were bitter opponents, but they agreed on one issue: that the union was essentially a means of propaganda—for anarchism or for socialism.

Under the influence of the anarchists French labor developed a form of organization of its own: the so-called "Bourses du Travail," corresponding roughly to an American city or regional union assembly. But while in the United States these assemblies are, on the whole, subsidiary union organizations with a limited field of action, they became in France, under Anarchist inspiration, mainstays of the labor movement. This corresponded to the tendency of the Anarchists to place the center of gravity of the movement as far as possible into local self-governing labor bodies. It is true that in due course the leader of this movement, Fernand Pelloutier, discovered that the centralization of the opponent prevented excessive de-

centralization of the labor movement. But the decentralizing tradition of the movement was firmly established. Next to the "Bourses" existed the national federation of craft unions, most of which came into being in the '80's and '90's. They represented on the whole the ideas of Jules Guesde. The desire for the unification of these two types of union organization grew. The main question was whether it was to proceed on the basis of Anarchist—or, as it was known, Syndicalist—or of Guesdist philosophy.

The decision was taken in a great debate on the virtues of the "general strike." This, in the syndicalist view, was the main weapon of the workers. Guesde's followers were opposed to it: for them political action with the object of conquering political power was the royal road to victory. Aristide Briand and Fernand Pelloutier were the main advocates of the syndicalist point of view. By a narrow majority, they defeated Jules Guesde's followers. In 1895 the "Confédération Générale du Travail" (CGT) was constituted. It combined all existing trade union organizations, the local syndicates, the "Bourses du Travail," local and national union federations, the National Federation of Bourses, etc. The program was clearly anti-Guesde. The organization must "keep free from all political schools." It had only economic and social objectives, which included the "total emancipation" of the workers. The unions which were under Guesde's influence soon petered out. Syndicalism was in full control of the French labor movement.

It is not easy to define the reasons that led to this peculiar development, particularly since syndicalism was not simply a social philosophy, but also a mood, a state of mind. One of the basic traits of this mood was the distrust toward politics, particularly toward parliamentarianism. At the bottom of this was a number of factors: the relative ineffectiveness of French parliamentary government in a country which was

profoundly divided between Democrats (in French political language "Républicains") and advocates of authoritarian regimes, particularly Monarchists; the ideological character of French politics which expressed itself at the same time in the high intellectual level of Parliamentary debates and in the relatively scant attention paid to real social issues; the tendency of French politics to serve as a means of expressing ideas rather than of effective action; the corresponding division of the French Socialist movement into a number of rival organizations whose mutual hostility was the greater, the finer the points of doctrine which separated them. In 1898 no fewer than five Socialist currents existed. To all this may be added the "careerism" in the radical movements in France: the number of French political leaders who started their careers at the extreme left and ended far on the right is indeed impressive: Briand—the ardent advocate of the "general strike" who later defeated the general strike of the railwaymen—Millerand, Viviani, Laval, Frossard, etc.! The almost unbelievable extent of outright corruption in parliamentary circles revealed in connection with the "Panama scandal" greatly contributed to the feeling that "representation is betrayal." "Direct action," the action of the workers themselves, not by way of representatives, appeared as the only successful way.

Syndicalist emphasis on local initiative was partly an effort to avoid as far as possible the problems created by centralist needs for representation. But it was equally a deeply felt revulsion against the system of bureaucratic centralization which Napoleon had imposed upon the country. In the mind of Fernand Pelloutier, decentralization of syndicalist action was also an indispensable device of workers' education by practical experience of labor action. Pelloutier was deeply convinced of the need for such education. The workers were not ready, morally or intellectually, to take over the adminis-

tration of industry and of the nation which was the Syndicalists' ultimate objective. This is why the Marxian concept of the social revolution appeared so unsatisfactory to Pelloutier. Only at the end of a period of education would the workers reach the degree of maturity required for their future responsibility.

Finally, underlying all other considerations, was a mood of rebellion against all established authority, a feeling that authority per se was a corrupting force and inevitably directed against the lower classes. As Pelloutier put it in his *Letter to the Anarchists* of February, 1899:

> We are rebels at all times, men truly without God, without master, without fatherland, the unshakable foes of all moral or material despotism, whether individual or collective, i.e., of laws and dictatorship (that of the proletariat included) and the passionate lovers of culture by itself.[13]

From all this followed a clear refusal on the part of the Syndicalists to enter into a close relationship with any of the Socialist currents. But the question arose again, in a somewhat different light when, in April, 1905, the Socialist Party achieved a high degree of unity under the combined leadership of Jean Jaurès, Jules Guesde and Edouard Vaillant. If so far the division of the Socialist movement prevented cooperation, could the unification of Socialism not change the attitude of the Syndicalists? Could France not follow the example of the labor movements of the neighboring countries? At the famous Congress of Amiens in 1906 these questions formed the center of the discussions. Once more the Guesdists led the attack. They pointed out that the unions were interested in favorable labor legislation, and "that the deputies of the Socialist Party have always proposed and voted for laws whose objective was the improvement of the

13. Quoted in Jean Montreuil, *op. cit.* Paris, 1947, p. 162.

situation of the working class as well as its ultimate emancipation." They proposed, therefore, that whenever the circumstances so required, the unions cooperate with the Socialist Party. The majority rejected this cautiously phrased text. Instead it adopted the so-called "Charter of Amiens" which renewed the statement that the unions organize "outside of all political schools, all workers conscious of the struggle which must be led to bring about the end of the system of wage-earners and employers." The union member was to be free to participate in political activities, but he must not "introduce into the union the opinions which he defends outside." The unions do not feel the need to pay attention "to the parties and sects which outside or next to them may pursue in full freedom the struggle for a social transformation."

From Amiens on, the independence of the unions from all political parties remained the official philosophy of French syndicalism. In its view the unions themselves are the most effective instrument of the social revolution. The unions take the place of the political party of the workers. In practice this meant that union leaders could not accept political offices: they could not become leaders of a political party or deputies without resigning their union offices. The unions refrained from taking any part in elections; they did not recommend candidates for public offices to their members. No official consultation took place between unions and political parties.

This system has been maintained officially by the supporters of syndicalism to this day. But in practice it has suffered a good deal of restriction and it has been attacked and disregarded by the Communists.

The first test to which the Charter of Amiens was exposed arose in connection with the antiwar policy of the CGT. From the general point of view of syndicalism followed logi-

cally its opposition to armaments and militarism. Indeed in 1912 when the law prolonging military service to a period of three years was being discussed in parliament, the CGT accepted for the first time in its history a Socialist proposal for cooperation. This was a minor violation of the Charter; but the complete turn about of the CGT after the outbreak of war led to many others, far more serious in nature. Indeed when the leaders of CGT supported the French war effort and Léon Jouhaux, Secretary General of the CGT, accepted the title of "Commissaire à la Nation," revolutionary Syndicalism had reached its end. From then on, it was not much more than a great tradition, but life had passed beyond it.

The new Syndicalist ideas developed after World War I provided for close cooperation between the unions and the state. It was recognized that capitalism had not yet reached the end of its life span; it was the duty of the unions to proceed on the basis of this fact and to work within the given social framework for the improvement of the situation of the workers. The example of American unionism exerted some influence on at least one wing of French labor. Consequently union leaders were willing to accept positions in the administrative structure offered to them by the government. Léon Jouhaux became more and more the accepted official spokesman of organized labor. But the ban on political positions and on union-party cooperation remained in force. Indeed it became the rallying point for all those who opposed Communist efforts to control the labor movement.

In a sense the struggle within French labor since the end of World War I and the victory of the Bolshevik revolution may be described as a competition for the legacy of revolutionary syndicalism between two currents, each representing one aspect of revolutionary syndicalism: the Communists and the non-Communists.

The Communists could claim to be the legitimate heirs to

revolutionary syndicalism in so far as they represented, better than anyone else, the mood of rebellion which was at the base of revolutionary syndicalism. They indeed rejected all established authority and, as the example of Russia tended to show, they clearly knew how to destroy the traditional values. When in September, 1921, the CGT was split and the leftist opposition established the "Confédération Générale du Travail Unitaire" (CGTU), the Communists were supported by those who had remained loyal to the old ideas of revolutionary syndicalism. But this coalition was allied only in its opposition to the ring-wing leaders. Once the split was achieved, the two main elements in the coalition were soon locked in a struggle of their own. The revolutionary syndicalists led by Quinton, Verdier, Pierre Besnard, wanted to turn the CGTU toward the model of the prewar syndicats. They were opposed to party politics, to any dictatorship including the Russian; they wished to maintain the unions as small, self-governing bodies, highly decentralized. The Communists led at the time by Rosmer saw in the unions essentially mass organizations of the working class at the service of a political party. They favored centralistic unions with relatively high dues and developed self-insurance features. Between the two currents was a center group led by Racamond, Monmousseau, Pierre Semard which claimed loyalty to the Charter of Amiens, but believing that the revolution was imminent, was willing to "accept the assistance of all revolutionary forces," which meant, in effect, the Communist Party. Gradually this center group was drawn into the orbit of the Communists. The loyal syndicalists were compelled to leave the CGTU. Dissident Communists, among them Rosmer and Monatte, followed them. They remained the center of continuous but, on the whole, unsuccessful efforts to revise history backwards and start revolutionary syndicalism all over again, as if 1914 had never occurred.

The right wing leaders around Léon Jouhaux could hardly claim to continue the revolutionary tradition of syndicalism. But their system of organization was in line with that of syndicalism. Union membership, though growing, was restricted to a working class elite. Dues were low and their collection irregular. The unions had small financial means at their disposal.

In the case of a conflict, the national organization thus had little to offer except advice and few means of imposing discipline, if it wished to do so. Strike benefits were rare. . . . The absence of strike funds compelled the unions to look for quick victories. Strikes, in order to succeed, had to be sudden, without a long period of consultation and negotiations. The element of surprise was the cornerstone of French strike strategy; for, if the opponent was given due warning of an impending wage demand, he would be able to prepare himself for the conflict and prolong it. Without funds, the unions would be in no position to carry on a long strike. Surprise was vital, and only those on the spot could decide on the proper moment for launching an attack.[14]

The innate weakness of this current was that, in the absence of a great revolutionary appeal, its power of attraction upon the workers depended largely upon the potential results of union action. But the organizational system made the unions hardly effective tools of practical efforts. Inevitably, therefore, the right-wing leaders were compelled to depend upon political influence. The Charter of Amiens stood in the way of employing the usual European political tactics. Instead the personal influence of the union leaders was brought to bear upon governmental and parliamentary action, while the participation of union leaders in consultative and administrative machinery became more and more important. It was significant that the stronghold of the non-Communists was the organization of the civil servants, whose wages and work-

14. Adolf Sturmthal, *National Patterns of Union Behavior*, p. 517.

ing conditions could more directly be influenced by the means of persuasion at the disposal of the CGT. Briefly, a new form of political action was developed which only the respect for the Charter of Amiens prevented from reaching its full fruition.[15]

The short-lived merger of the CGT and the CGTU (1936-1939) saw the theses of the right wing in full triumph. With a two-thirds majority, the unification Congress affirmed the independence of the unions from all political parties but preserved the unions' right temporarily to cooperate with political parties in the case of "dangers which may threaten the civil liberties or reforms in force or still to be obtained." Under this clause the CGT took part in the Popular Front movement which was in the process of formation. With a similar majority, the Congress rejected Communist-sponsored programs to establish "democratic centralism" in the organization, and maintained the tradition of a federal structure of the organization.

§ THE COMMUNIST PATTERN

IT WOULD not be correct simply to identify the Communist view of the relationship between party and unions with the practice of the Soviet Union. Communist philosophy assigns different roles to the trade unions according to whether political power is in the hands of the Communist Party or not, or, more correctly, whether socialism has been established

15. A significant admission relating to the elections of 1924, may be seen in the following statement of Charles Laurent (in *Le Syndicalisme des Fonctionnaires*, Paris, 1928, p. 25): "Our comrades made everywhere propaganda against the deputies of the National Bloc and in 1924 we had the elections of the left Bloc (Socialists and Radicals) to whose triumph our comrades contributed a good deal."

or not. In the first case, as the Statute of the Soviet Trade Unions adopted in 1949 points out, the unions

> strive to enhance in every way the socialist order in society and state, the moral-political unity of the Soviet people, the brotherly cooperational friendship between the peoples of the Soviet Union; they actively participate in the election of the organs of State power; they organize workers and employers for the struggle for the steady development of the national economy;

and—last on the list:

> they concern themselves with the further rise in the material well-being and with the full satisfaction of the cultural needs of the toilers.[16]

When in the Communist view socialism is not yet established, the unions have different tasks, but even then they "carry out their entire work under the leadership of the Communist Party."[17] The Communist view of union-party relations is roughly comparable to the early views of the German Social Democrats. The party dominates the entire labor movement, thus the trade unions as well. To what extent this corresponds to Marx's view of the role of the union is a matter for theoretical dispute. It is possible to find in his writings contradictory views on the subject: one which assigned to the unions a first-rate part in the labor movement—similar to the significance which the medieval communes had for the bourgeois; but elsewhere he was of the opinion that union action could not prevent the law of the "increasing misery" of the working class from operating. Clearly, however, the unions were for Marx primarily the "schools of socialism."

While the rise of the German trade unions compelled the

---

16. Isaac Deutscher, *Soviet Trade Unions, Royal Institute for International Affairs*. London and New York, 1950, pp. 141-142.

17. Deutscher, *op. cit.*, p. 141.

party to change the relationship from subordination to cooperation, this evolution did not take place in Russia. It is not difficult to see why this was so. Under the Czarist regime the development of free trade unions was impossible. Even after the revolution of 1905, the freedom of the unions to operate was severely limited. It was obvious to every thinking worker that a basic change of the regime was necessary before free unions could function effectively. Thus the leadership of the movement had to be political. It remained so, of necessity, when the Communist Party established its dictatorship.

Perhaps the most fundamental mistake of international communism was its attempt to transfer to the rest of the world the peculiar party-union relationship that had grown up in Russia. It was one of the many examples of Russian inability to understand what was happening in their own country and thus to realize the limitations of their own experience, indeed, with regard to the rest of Europe, the uniqueness of the Russian development. For when the Russians attempted to impose their own pattern of party-union relationships upon the workers of Central and Western Europe, they were dealing with strong, self-confident unions, conscious of their tradition and their strength, rather than with the weak, experimental unions, dependent on party help which they had encountered in their own country. It is no exaggeration to say that it was the resistance of the free unions of Western and Central Europe against party control which broke the Communist wave after World War I. It is, therefore, also not surprising that the greatest Communist successes in Europe, this side of the "Iron Curtain," were obtained in France and Italy, countries in which the Communists succeeded in obtaining control over the major unions.

The attempt to establish Communist control over the unions on a world scale reached its climax in the famous

twenty-one conditions for affiliation with the Communist International which were established in 1920. According to condition number 9, the Communist Party was to carry on a Communist campaign within the unions. Communist cells were to be established in order to win the unions over to the cause of communism. These cells were to be completely subordinated to party control.

Read in conjunction with the general Communist principle of "democratic centralism," this "condition" indicates quite clearly the place assigned to the unions in the Communist scheme of organization. "Democratic centralism" meant that, at any given moment, the party membership was under the control of the leaders as represented by the Central Committee or, more precisely, by its Polit-Bureau. The party members, acting under the instructions of the party, were to control the unions. Thus a pyramid would be developed or a series of transmission belts: at the top, the Polit-Bureau controlling, via the Central Committee, the party membership. From there, orders are transmitted to the unions by way of the party cells. The unions in turn control the workers at large. In this way, the policies determined by the Polit-Bureau would finally be implemented by the working class.

The Communist system of organization is, therefore, opposed to all of the patterns of union-party relationships worked out in Western and Central Europe. It is clearly incompatible with the British pattern which makes the political organization an instrument of the unions. It is essentially different from the German pattern as finally established under the Mannheim agreement which made the two organizations allies on a footing of equality. It was consistently rejected, until the end of World War II, by the majority of the organized workers of France with whose syndicalist tradition it was in open contradiction.

§ POSTWAR DEVELOPMENTS

AS A RESULT of the war, occupation by foreign troops, and, finally, of the advance of the Communist-sponsored system of "Popular Democracy" a number of changes were made in union-party relations. Even more significant, perhaps, are the changes that were attempted and failed.

The common experience of the war and of the "underground" struggle left behind it a widespread desire for the unification of the labor movement on the continent where it was traditionally divided by politico-philosophic divergencies. This trend was powerfully enhanced by the Communist "united front" strategy following upon the German attack on the Soviet Union in June, 1941.

As a consequence of the German-Russian pact of August, 1939, the unity of the French CGT, established in 1936, was again destroyed. The Communists refusing to dissociate themselves from the pact were expelled. But the war economy, the police measures against the Communist Party and the downfall of the French Republic did not permit the split to have much more than moral effects. The entire labor movement, whether under Communist inspiration or not, was rapidly driven into paralysis and later illegality, though some of the non-Communist leaders collaborated with the Vichy authorities. In May, 1941, a fresh attempt was made to reunite the CGT in the "underground," but the delegates of the former CGTU-wing—usually called "unitarians"—were hardly representative. In April, 1943, a meeting at Perreux, outside of Paris, was successful: Botherau and Saillant for the old CGT, Raynaud and Tollet for the unitarians, agreed to re-establish the united CGT, as it existed in 1939. The Executive was to consist of five right-wing and three left-wing leaders.

After the liberation of Paris, in September, 1944, the CGT

proposed to the Christian unions that discussions be held to prepare for the merger of the two organizations. The answer, in April, 1945, was a definite rejection. Real unity, the Christian union leaders stated, is not possible except when there is one doctrine. This is not the case. Indeed, the Christian unions elevated the union division into the rank of a principle as "one of the highest expressions of the exercise of liberty and democracy."

The failure of the unification attempt was repeated in Holland and Belgium. To facilitate the unification of labor the Dutch Social Democratic Party merged with religious groups holding socially advanced views in order to open the doors for non-Marxians or anti-Marxians, and transformed itself into the "Party of Labor." But the religious unions—Catholic and Protestant—refused to merge with the Socialist-led NVV and continued the division of Dutch trade unionism, although permanent collaboration was provided for among these three union currents. The Belgian Socialist unions went so far as to disaffiliate from the Labor Party so as to reduce the difficulties in the way of a merger between them and the Catholic unions. Nevertheless, the latter refused to give up their separate existence, exactly as the French Catholic unions did. As a result, in these three countries labor continues to be divided according to the social philosophies which the different groups defend.

In Italy, the attempt was at first successful. A unified trade union organization was established combining workers of differing political and social views. But from the very first the unified trade unions appeared as a kind of federation of political currents which continued to exist in their midst as well-organized factions striving to achieve control over the entire organization. At the Congress the various currents submitted resolutions designed primarily to enable them to discover their relative strength within the "united" organization.

The membership of the Executive Committee of the Confederation was carefully divided among the various currents according to their numerical representation at the Congress as demonstrated in the vote on the different resolutions submitted by them. Even in this first stage, the so-called unity barely concealed the division of the organization over political and social issues. Each of the currents, needless to say, represented a political party.

Even this "sham-unity" did not last very long. First the Catholics (1948), then (1949) the anti-Communist wing of the Socialists and the Republicans broke away. Of the latter, one group went to merge with the Catholics, another is making attempts to remain independent. Without too much difficulty it is possible to see in this threefold division a reflection of the threefold split of Italian socialism into the pro-Communist Nenni group, the right-wing Saragat Socialists who are cooperating with the Catholics in the government, and the independent Socialists led by Romita and Silone.

Germany and Austria remain thus as the only examples of a successful unification attempt on the basis of "nonpartisan" labor action. But closer examination would indicate that in these countries, too, the political currents contrive to exist within the unified trade unions. The official publication of the Austrian trade union confederation reporting on meetings of trade union executive committees, carefully indicates the political affiliation of each speaker. A rough system of proportional representation of the various political currents in the governing union bodies is used in both countries. Whether the final split occurs or not, it is fairly obvious that German and Austrian labor remain "political" in the European sense. All this, it seems to me, indicates that "political" unionism is and remains the fate of European labor.

In Eastern Europe, the unions were rapidly placed under the control of the Communist Party. The key in this develop-

ment was the disappearance of the Socialist parties—the only serious competitor in the labor movement of the Communists; for in this part of Europe the unions were dependent on political leadership in somewhat the same way as they had been in Russia in 1917. Once the Socialists were eliminated, leadership fell automatically into the hands of the Communists.

The presence of powerful Red Army forces more or less openly supporting the local Communist leadership and intervening in local affairs put the Socialists under a handicap which they were unable to overcome. Anti-Communist leaders of the Socialist parties were either prevented from returning home from a Nazi-imposed exile or forced to flee under the threat of imprisonment. Moscow-sponsored leaders were put into office. What followed was a process of almost monotonous regularity in one Eastern country after another. In the provisional governments set up in the wake of the advancing Red Armies, the Communists succeeded in getting hold of the Ministry of the Interior, controlling the police, and of the Ministry of Information, administering the means of mass communication. As a next step, the Socialists were "induced" to accept united-front agreements with the Communists which limited the Socialists' freedom of action without seriously interfering with that of the Communist partners to the agreement. Then the Communists made the proposal of presenting common lists of candidates at elections to be held for a Constituent Assembly. Recalcitrant Socialists were put under heavy pressure. When they nevertheless held out and succeeded in obtaining majority support within the Socialist Party—as in Czechoslovakia—the Communists mobilized the streets and the Communist-controlled police to oust the anti-Communist leaders of the rival party. The joint lists were established. After the elections the Communists proposed the merger of the two parties, normally with the active support of the deputies who owed their election indistinctly

to combined Socialist-Communist votes. The "invitation" was followed by a purge of the few remaining "unconvinced" Socialists and a gradual ouster of the persons suspected of divided loyalties from position of top responsibility. What finally emerged was a mass party with Socialist followers but uniformly reliable pro-Moscow leadership. By 1948 this process was practically completed in Eastern Europe.[18]

18. Adolf Sturmthal, "Democratic Socialism in Europe," *World Politics*, Vol. III, No. 1, October, 1950.

CHAPTER III *The Intellectual Development*

WITH UNIONS and political parties as closely related as they are in most countries of Europe, the intellectual development was for long periods a common experience of all branches of the movement. Even when the unions acquired a status of equality with the party, their mutual influence remained tremendous. The starting point of our discussion might be conveniently sought in the ideas formulated in the early part of this study. The labor movement emerges as a class movement aiming at the establishment of a society without class privileges. The main tool of this transformation is the power of the state, though in Britain this idea was less widely accepted than on the continent. To obtain control of this power, labor must emphasize the political struggle.

It was precisely over the last point that the early intellectual conflicts within the international organization of the European labor movement took place. The scene was the "International Workingmen's Association"—colloquially called the "First International," set up in 1864 in London. It combined British trade union leaders with French and Italians and a German refugee, Karl Marx, "the soul and the future chief of the International."[1] Its famous "Inaugural Address" written by Marx, culminated in the sentences: "To conquer political power has therefore become the great duty of the

1. G. M. Stekloff, *History of the First International*. New York, 1928, p. 46.

working class. . . . One element of success they possess—numbers; but numbers weigh only in the balance if united by combination and led by knowledge. . . ." Against this view, there arose powerful opposition within the International. While its membership increased rapidly and new branches were established, the new members held the most conflicting views. There were moderate reformists, romantic revolutionaries inspired by Blanqui, and anarchists for whom Bakunin was a powerful and persuasive spokesman. The Anarchists, as we have seen, opposed independent political action.

> They considered that the socialists who were trying to secure legal reforms beneficial to the working class were little better than renegades, for they held that such reforms could only serve to strengthen the existing order. . . . The task of revolutionary socialists, in their view, was to bring about the destruction of the State, which was essentially founded upon the principles of authority, force, and government—and, of course, also upon exploitation. Even in a republican and democratic State, there could be nothing but oppression and exploitation of the many by the few. . . . The view that political emancipation must be an essential preliminary to the economic emancipation of the proletariat was, in their opinion a no less dangerous delusion.[2]

The conflict between Marx and Bakunin, the advocates of political action and the Anarchists, dominated the life of the First International and, finally, led to its death. When in 1872, the Congress of the International decided to transfer the seat from London to New York, as Friedrich Engels proposed, this was intended as a move to keep the International out of the hands of the Anarchists and the romantic adventurers of Blanqui's persuasion for whom Marx had a good deal of contempt. But it soon developed that this move meant in fact the end of the International—except for the Anarchists who, on their own, carried on what they con-

2. Stekloff, *op. cit.*, pp. 159-160.

tinued to describe as the International Workingmen's Association.

F. A. Sorge, a Marxian who became the General Secretary upon the transfer of the International to New York, strove hard to maintain the organization. But it never succeeded in establishing contact with the native workers of the United States. The only support it found was among refugees and immigrants. An international congress called for Geneva in 1873 "was a pitiful affair."[3] It agreed that trade unions were to be organized everywhere—an attempt to find a new basis for the movement, since the Anarchists were in full ascendancy over the Marxians. The unions were to be combined into national federations; of these, international alliances for each trade or industry were to be set up. "Thus there would arise an international organization of the proletariat upon the industrial field, an organization which would be substantially unified throughout the capitalist world. But this was the music of the future."[4] Marx fully realized that the International had come to an end.

When it was revived in 1889, as the so-called "Second International," the Socialist movement had made tremendous steps forward. Instead of the loose associations which had been the component parts of the First International—many of the so-called delegates to its Congresses represented no one but themselves—the new organization was firmly based upon established parties and trade unions. Only after the turn of the century did the unions develop their own international association.

The founding congress held in Paris created not only the new international association, but also the "First of May" celebration. This was intended to be a demonstration of the international solidarity of the workers taking place on the

3. Stekloff, *op. cit.*, p. 279.
4. Stekloff, *op. cit.*, p. 200.

same day in all countries as well as a call to a struggle for a limitation of the hours of work to eight. An American trade union delegate present at the Congress reported that the AFL had issued a call for such demonstrations to be held on the First of May, 1890.[5] The Congress decided to adopt this date for the international demonstration so as to mark the cooperation of the workers on both sides of the Atlantic. In a sense, the First of May is thus connected with an episode in the history of American labor.

The first phase of the history of the new International was devoted to a continuation of the struggles within its predecessor: to mark clearly the division between socialism and anarchism. This was finally achieved by a decision to admit to membership only those organizations which accepted the principles of socialism and of political action.

Of the debates during the life of the Second International three deserve special mention: the Revisionist debate, the Bolshevik-Menshevik division, and the issue of the attitude to be taken toward a war.

§ THE REVISIONIST DEBATE

IN THESE DEBATES—with the exception of the cleavage between Bolsheviks and Mensheviks—the German labor movement played a leading part. During the life of the Second International, the Socialist parties and the unions everywhere in Europe made rapid progress, far beyond the expectations held when the International was founded. After the turn of

5. The Congress resolution stated: "Since a similar manifestation has been set by the American Federation of Labor, at its Congress in December, 1888, held in St. Louis and its date fixed for May 1, 1890, this date is adopted for the international manifestation." The principle of such a simultaneous demonstration was proposed by the French unions upon the intiative of Jean Dormoy. Cf. Edouard Dolléans, *Histoire du Mouvement Ouvrier*. Vol. II, 1871-1936, Paris, 1948, pp. 100-101.

the century no country in Europe remained without a Socialist Party. Party members grew into the millions. Union organization advanced rapidly and collective bargaining became more and more clearly the emerging pattern of labor-management relations.

Within this picture of general progress, German labor held a place of distinction. Partly this was due to the power and prestige of the country in which it operated. The brilliant German successes on the battlefields of Europe were followed by almost breath-taking economic progress. Though lacking some basic raw materials, Germany, took the lead in what has been called the "second industrial revolution," the introduction of the scientific industries—electrical and chemical —to break the industrial predominance of England.

But the prestige of German labor was equally the result of its own achievements. In the words of Friedrich Engels, whom Lenin approvingly quotes, the German labor movement was a model for the workers of all countries. It combined great practical achievements with a profound theoretical education. Unions and Party were strong in members, finances, discipline. Early in the Twentieth Century the Party became the largest single political organization in Germany. The Party Executive had at its disposal an organization covering the entire country and operating with such efficiency that the Socialist leaders were described as a "counter government" to the official cabinet of the Kaiser. Germany's leading Socialist theoretician, Karl Kautsky, was the recognized interpreter of Marx's thought after the death of Friedrich Engels. The "Erfurt program" of the German party, written in 1891 mainly by Kautsky, was a model for labor all over the Continent.

However, it was precisely within the German labor movement that bitter and, in the long run, victorious opposition arose to the traditional Marxian views. The leading advocate

of the new current was Eduard Bernstein whose book translated into English under the title *Evolutionary Socialism* was published in 1899.[6] He was supported by a galaxy of brilliant intellectuals, among them Heinrich Braun, Georg von Vollmar, Georg Bernhard.

Bernstein had spent a number of years in England where he had been greatly impressed by the work of the British trade unions, the progress of democracy and the intellectual work of the Fabian Society.

In the '70's, the British unions had obtained legal foundations which permitted the unions to operate effectively. This success, however, was followed by a period of paralysis; the union leaders seemed content to rest on their laurels. But in the '80's the "New Unionism" of John Burns, Ben Tillett, and Tom Mann appeared on the scene introducing a spirit of aggressiveness, repudiating the emphasis of the older leaders on self-insurance, extending the benefits of unionism to unskilled and semiskilled workers. After the dock workers' strike of 1889, the new unionists carried the day and opened new perspectives for a vigorous, self-confident labor movement. But the New Unionists also introduced Socialist ideas into the staid conservative British unions. So equipped, they seemed to Bernstein to represent a combination of practical day-to-day activity with a vision of a better future from which he believed other labor movements could profitably take lessons.

With the electoral reforms of 1867 and 1884, Britain had made decisive steps toward democracy. Under the pressure of labor, it seemed to Bernstein, progressive middle class groups and even Tory democracy could be induced to make decisive steps toward democracy by a process of gradual advance.

---

6. Original German title *Pre-suppositions of Socialism and the Tasks of Social Democracy*. Cf. Peter Gay, *op. cit.*, p. 65.

But primarily it was the work of the Fabians that impressed Bernstein. The Marxian "Democratic Federation" set up by Hyndman in 1881 had remained a small ineffective propaganda organization. But the Fabian Society founded two years later, though equally small in numbers, had become an influential organization. It attracted the Webbs, G. B. Shaw, Graham Wallas, Ramsay MacDonald, later G. D. H. Cole. Starting from the traditions of Bentham's rationalism, the Fabians developed a new theory of socialism in open contradiction to Marxism. They rejected not only the labor theory of value, adopting instead the new marginal utility theory propounded by Jevons, but also the idea of the class struggle. Socialism would come about as the result of a process of gradual transformation—because socialism was more efficient than capitalism. The elimination of the personal element in business by way of the modern corporation marked the direction of economic and social evolution. Capitalism tended to stagnate in monopolistic restrictions which were hostile to democracy. State ownership was advancing because it was more efficient. The experts acting for pure rational reasons would guide society toward a superior order—socialism.

On the basis of these experiences, but also as a result of his profound democratic convictions, Bernstein defended a number of theses which were in spirit, if not always in their letter, opposed to the traditional Marxian view of German labor. According to Bernstein, capitalism had still a long lease on life; the breakdown of the capitalist system was not imminent. Marx's *Communist Manifesto* had been correct in describing the trend, but wrong as far as the timing of the developments was concerned. The opposition of the classes was not so acute as Marx had predicted, and the middle classes were not in the process of disappearing. The concentration of capital—upon which a good many of Marx's

predictions had been based—was progressing rather slowly, particularly in agriculture. Social legislation was advancing and so was the power of the unions whose practical possibilities many Socialists were underestimating. Lasting successes of the movement could be obtained by a steady advance, rather than by a social catastrophe.

Bernstein ended with a statement that his opponents attacked with particular bitterness: the next steps are always the most important; the movement means everything, the final aim—nothing.

Bernstein's ideas found not inconsiderable support. Since the middle of the '90's economic conditions were on the whole favorable to the progress of the movement; the long business-cycle was moving upwards. This created a state of mind favorable to a program of gradual advancement. Moreover, the discussions showed a wide divergence of views between labor in Northern and Southern Germany. The latter enjoyed on the whole far more liberal and democratic institutions than Prussia. The independent peasants of Southern Germany and a considerable liberal intelligentsia were natural allies of labor in the struggle for democracy. In Prussia, particularly East of the Elbe river, social conditions were different owing to the influence of the "Junkers" and the weakness of the independent peasants. These regional differences[7] were reflected in the struggle between Revisionists—as the supporters of Bernstein came to be known—and the Radicals whose leaders were August Bebel and Karl Kautsky. The Revisionists found acclaim in Southern Germany, the Radicals mainly in the North. But both were

---

7. A similar regional analysis of the conflicts in French labor between Guesdists and Syndicalists would tend to show, I believe, that the first represented primarily workers from large-scale industry in the North and the St. Etienne area, the latter the smaller enterprises around Paris and in the provinces.

convinced that their strategy was the correct one everywhere.

After prolonged discussions the Radicals carried the day at the Party Conference of 1903 where Bebel victoriously defended the revolutionary tradition of the Party. This victory was endorsed by the International at the Congress of Amsterdam in 1904, which sharply rejected "ministerialism," i.e., the entry of Socialists into governments formed by middle class parties.[8]

In spite of the victory of the Radicals in Dresden and Amsterdam, the Revisionist views made rapid headway in the German and other Social Democratic parties. The parties retained their traditional revolutionary language—but in actual fact they became more and more huge electoral machines oriented towards propaganda and parliamentary debates rather than revolutionary mass movements. Their leaders were parliamentary strategists and efficient trade union secretaries rather than experts of mass leadership in revolutionary situations. But their own language prevented them from operating freely on the only battlefields for which they were equipped: parliament and trade union action. The victory of Radicalism meant that the movements could not use their full strength either for revolutionary battle or for a slow advance requiring maneuvers and temporary coalitions. Although the labor movements continued to make electoral and economic progress, they were more and more paralyzed by the inner contradictions between their philosophy and their action. But the full implications of this development were to appear only considerably later, after World War I,

---

8. This referred particularly to the famous "case of Millerand." Alexandre Millerand, one of the French Socialist leaders, had accepted the post of Minister of Commerce in the Ministry of Waldeck-Rousseau in 1899. This step, endorsed by Jean Jaurès, but sharply criticized by Jules Guesde, embittered the conflicts among the Socialist factions. After the Congress of Amsterdam Jaurès accepted its verdict, thus permitting the unification of French socialism in 1905.

when German labor was suddenly confronted with the possibilities and the responsibilities of power.

§ SPLIT IN RUSSIA

FAR LESS conspicuous, at the time, was the division that occurred in the Russian Social Democratic Party early in the new century. Indeed, it is hardly exaggerated to say that when it occurred almost no one outside the Russian movement understood what it was all about, and that few men even within the Russian Party realized the significance of the event. Perhaps the outstanding exception was Rosa Luxemburg, active in the German Social Democratic Party, but of Polish origin. Although herself a leading member of the extreme Left in Germany, she foresaw the dangerous possibilities in the views of the Bolshevik leader Lenin and criticized him sharply in an article in the German theoretical party magazine *Neue Zeit* in July, 1904.

Apart from this, there was a general lack of understanding. The reasons for this were fairly obvious. In the first place, the Russian Social Democratic Party was not much more than a tiny sect whose main membership consisted of emigrés living in Western Europe. The Congress at which the split manifested itself—the second Congress of the Russian Social Democratic Party—met in July and August, 1903, abroad: first in Brussels, then—since police interference was feared—in London. All in all, there were some fifty-seven delegates present of whom forty-three had the right to vote. Clearly, the organization represented a hope far more than a reality.

The actual division took place over the issue of Clause I of the Party statute. Two texts were submitted: one by Lenin, the other by Martov. Lenin's text stated: "A member of the party is one who accepts its programs and supports

it both materially and by personal participation in one of its organizations." Martov's proposal ran as follows: "A member of the Russian Social Democratic Workers' Party is one who accepts its program and supports it both materially and by regular cooperation under the leadership of one of its organizations." Mere analysis of the texts would fail to reveal a profound cleavage. It was only in the light of the discussions prior to the Congress that the underlying divergences could be understood. The proposed statutes had mainly symbolic significance; they permitted the opposing factions to count their numbers.

Among the delegates at the Congress the strongest single group was formed by supporters of a Journal called "Iskra" (Spark) published since December, 1900, in Stuttgart, Germany. The main editors were Plekhanov, the leading Marxian of Czarist Russia, Axelrod and Zazulich. Three other men acted as junior editors. Ulyanov—shortly to be known under the name of Lenin—Potresov, and Martov. The entire group was Marxian and defended Marxism in particular against the so-called "Economists," a Russian counterpart to German revisionism.[9] Less important were the "legal Marxists" under Peter Struve, Berdyayev, and the well-known expert on economics Tugan-Baranovsky. In their view, feudal Russia still had to pass through the capitalistic stage before the question of a Socialist order could seriously be raised; pending this development the Marxians had to support the growth of capitalism in Russia.

The Congress consisted of Iskra-ites, a small number of "Economists," and a few delegates of the Jewish Socialist organization "Bund." It was clearly dominated by the Iskra group. But the Martov-Lenin cleavage broke up the solidarity of "Iskra."

---

9. See also below, Appendix.

In the struggle against the "Economists" and the "Legal Marxists" Lenin published his famous work *What Is to Be Done?* In its pages we can find the background necessary for an understanding of what happened at the Congress. The "legal Marxists" and a great many others had rightly seen that the main problem of the Russian labor movement was raised by Russia's backwardness. Russia was deep in a pre-capitalistic stage. This presented two main issues: under the conditions of Czarist oppression a fully developed Socialist party following the Western party system was as difficult to conceive of as effective trade unions. How was the Party to be organized? Second, was Russia bound to pass through a capitalistic stage before reaching socialism? And if so—what was the task of the labor movement? In Lenin's mind these questions soon began to form only one.

In his view, the Russian conditions required the organization, not of a mass party of the workers as was the German Social Democratic Party, but of a small highly disciplined party of professional revolutionaries.

> The only serious organizational principle [he wrote] the active workers of our movement can accept is: strict secrecy, strict selection of members, and the training of professional revolutionists. If we possessed these qualities democracy and something even more would be guaranteed to us, namely: complete, comradely mutual confidence among revolutionists. . . . It would be a great mistake to believe that because it is impossible to establish a real democratic control, the members of the revolutionary organization will remain altogether uncontrolled . . . they have a lively sense of their responsibility because they know from experience that an organization of real revolutionists will stop at nothing to rid itself of an undesirable member.[10]

The trade unions, Lenin admitted, must be of necessity legal organizations as far as conditions permit. Even so, they could

10. *What Is to Be Done?, Collected Works,* Vol. IV, p. 213.

be fitted into Lenin's idea of a small organization of professional revolutionists.

> A small, compact core, consisting of reliable experienced and hardened workers, with responsible agents in the principal districts and connected by all the rules of strict secrecy with the organizations of revolutionists, can, with the wide support of the masses and without an elaborate set of rules, perform *all* the functions of a trade union organization, in the manner Social Democrats desire. Only in this way can we secure the *consolidation* and development of a *Social-Democratic* trade union movement, in spite of the gendarmes.[11]

In a nutshell, these statements contain the essentials of Lenin's ideas of organization. A small group of "professional revolutionists" centrally directed, controlling the mass organizations of the workers, through them the workers themselves —this was, in Lenin's view, under the Russian conditions, the way the labor movement was to be organized. We have seen how the Communists attempted later to transfer this scheme to other countries—during the 1920's, with consistent lack of success.

To this scheme Martov and his friends—among them unexpectedly Trotsky—objected that it aimed at establishing "martial law within the party"; Martov seemed to sense that Lenin was about to establish a party patterned after a military organization. Martov's objections were endorsed by the Congress by 28 to 22 votes; Plekhanov sided with Lenin. Then followed a comedy of errors; the "Bund" delegates withdrew at a later meeting over a different issue, the two "Economist" delegates—among them Martynov, later a leading Bolshevik —were expelled, with the result that Lenin ended up by being the victor. The central committee consisted of Lenin's friends only—called "Bolsheviks," i.e., majoritarians—Martov found himself in the minority—the "Mensheviks." But shortly

11. *Op. cit.*, p. 194.

after the Congress Plekhanov changed sides. As a consequence, Iskra turned Menshevik and Lenin withdrew from its board.

In spite of later attempts to heal the breach, it continued in fact throughout the period up to 1917. In the abortive revolution of 1905 the Mensheviks played a far more important part than their rivals. They dominated in particular the Petersburg Soviet of Workers' Delegates whose chairman in the last few days of its existence was Trotsky—then still with the Mensheviks. The few working-class organizations that developed were under Menshevik influence.

The issue of organization was intimately connected in Lenin's mind with that of the social development of Russia. Both sides recognized that Russia had not yet passed through its capitalistic stage. The Mensheviks inferred from this that for a whole period the labor movement had to support the middle class against Czarism. When middle class victory was achieved, labor would turn against the new masters and oust them as well. This view had two main weaknesses: it imposed an attitude of waiting upon the workers, a passivity which was difficult to bear in the long run; and second, it supposed that the middle class would play the game according to Marxian rules. But what if the middle classes knowing the fate that was in store for them, would prefer to come to terms with Czarism—perhaps in the way in which the German bourgeoisie had put itself under the leadership of Bismarck?

The Menshevik policy aimed at "Westernizing" Russia. The workers' party was, therefore, to be a democratic mass party—western style. Lenin's view was expressed rather briefly in "Two Tactics of Social Democracy":

The proletariat must carry through to completion the democratic revolution by uniting to itself the mass of the peasantry, in order to crush by force the opposition of the autocracy and

to paralyze the instability of the bourgeoisie. The proletariat must complete the Socialist revolution by uniting to itself the mass of semi-proletarian elements in the population, in order to break by force the opposition of the bourgeoisie and to paralyze the instability of the peasantry and of the petty bourgeoisie.[12]

This strategy, further elaborated in other writings, shared with the Mensheviks the idea of a revolution in two stages—without indicating how far apart in time they would be. In the first stage, workers and peasants cooperate to bring about the fall of Czarism. Having achieved this and established a "revolutionary-democratic dictatorship of the proletariat and peasantry," the Bolsheviks would aim at dividing the peasantry so as to ally themselves with the poor and landless peasants against those who were later officially labelled "Kulaks," i.e., the wealthier peasants. This coalition—of workers and landless peasants—would then achieve the Socialist revolution. The interval between the two events—the democratic and the Socialist revolution—Lenin believed more and more, would be shortened by the great revolutions that would occur in Europe as a result of the democratic upheaval in Czarist Russia. In this sense, Lenin spoke of an "uninterrupted revolution."[13]

The weakness of the Bolshevik strategy was that it expected the establishment of a "democratic dictatorship"—which in Lenin's view meant the establishment of what he called "the bourgeois freedom"—without the active participation of the bourgeois classes. Without the development of a strong, self-confident bourgeoisie—where should the driving force come from that would impose "bourgeois freedom"? In a sense Lenin seemed to believe that "bourgeois freedom" could be established against the "bourgeoisie."

---

12. Lenin, *Sochinenya*, VIII, p. 94, Quoted in E. C. Carr, *The Bolshevik Revolution 1917-1923*. London, 1950, p. 55.

13. Carr, *op. cit.*, p. 56.

This strategy required a party capable of sudden maneuvers. From an ally of the peasantry in the first stage, it had to become the enemy of one part of the peasantry in the second phase. Moreover, these tactical tricks had to be performed in rapid succession. This required a party which was essentially an instrument in the hands of a few leaders. Lenin's organization scheme was designed to provide such a tool.

Rosa Luxemburg, as was pointed out above, realized the differences between her own brand of radicalism and Lenin's position. She discerned in Lenin's ideas the germs of a dictatorial development. Though an extreme Leftist in her own views and by no means opposed to the use of revolutionary means, she was eager to maintain full democratic freedom within the political organizations of the workers. Lenin's pattern of organization, she felt, would inevitably lead not simply to a "dictatorship of the proletariat" over those opposed to it, but rather to a dictatorship of the party over the proletariat. And, since the party itself was dictatorially led by a small group, the latter would end up by controlling party, proletariat, and the state. Although the term was unknown then, Luxemburg foresaw that Lenin was out to establish a "totalitarian" system of dictatorship rather than the socialism of freedom which the great majority of the Social Democrats of all countries had made their objective.

These implications of the split were to arise only in the future. For the time being Lenin appeared to most observers as the leader of a small Leftist group within the international labor movement, considered similar to Leftist groups elsewhere such as the group led by Rosa Luxemburg and Karl Liebknecht in Germany. In this light the division reappeared in the third great debate of the Second International—that concerning the attitude to be taken in the case of war.

§ THE WAR ISSUE

DURING the Franco-Prussian War, the First International had sided at first with the Germans against Napoleon III; the issue was the defeat of the dictator and the unification of Germany, both objectives with which the International agreed. After the ouster of Napoleon, the International favored the victory of the French. Pacifism per se was not a part of Marx's thinking.

The attitude of the Second International toward a war was somewhat different. In its view, modern wars were likely to be of an imperialist nature, wars for economic and particularly colonial expansion, rather than wars of national liberation or defense. Moreover, armed conflicts now tended to become major social catastrophes pursued to the bitter end instead of the short, limited wars of the second half of the 19th century. Labor would thus oppose all wars, try to prevent their outbreak. So far, there was practical unanimity. The disagreements arose, partly on the issue of the means to be used to resist war, partly—and at first to a less dramatic extent—about the question of what to do in the case war should break out.

These issues came to the fore at the International Socialist Congresses held in Stuttgart, Germany, in 1907; in Copenhagen, Denmark, in 1910; at Basle, Switzerland, 1912. A further Congress was arranged for 1914; the outbreak of war prevented its taking place.

The Stuttgart Congress laid down the main lines of Socialist policy towards a war. It expressed the strongest possible opposition to a war and called upon Socialists and unions to use all means at their disposal to prevent the outbreak of a war; it did not, however, mention any specific means of action. At Copenhagen, Keir Hardie, the leader of the British

ILP, and Edouard Vaillant of the French Socialist Party, supported on this point by the French trade unions, proposed an amendment. According to it, the Socialist International was to pledge itself to call as a last resort, a universal general strike. Final decision on this proposal was postponed to the Congress called for 1914—which never took place. It was clear, however, that the majority of the Socialists rejected the "amendment Keir Hardie—Vaillant."

Some of the Socialists felt that a country subject to an unprovoked attack had the right to defend itself. The arguments, however, which carried the most weight, were these. The moment of the outbreak of a war seemed particularly unfavorable to the success of a general strike—which, under such circumstances, would inevitably have the character of a rebellion. In such a situation, patriotic feelings would run high. Large parts of the population could easily be induced to turn upon the striking workers as enemies of the fatherland.

Even more impressive was the consideration that the calling of a general strike of the workers would have a different effect according to the strength of the labor movement in different countries. In countries like Germany or Britain the unions might be strong enough to paralyze or at least hinder the mobilization. These countries would be weakened, from a military point of view, in the face of the enemy. Quite different would be the result in a backward country with weak labor organizations such as Czarist Russia. There, the call for a general strike by the Socialists and trade unionists would have little or no practical effect. In other words, the policy advocated by Keir Hardie and Vaillant would weaken, in the case of war, the more advanced countries, those with strong labor organizations, to the benefit of the most backward countries, in the first place the nightmare of labor and democracy in Europe before 1914—namely Czarist Russia.

The majority of the Congress thus adopted a resolution

which, while rejecting the proposal of Keir Hardie and Vaillant, favored general Socialist propaganda against a war and then stated that in the case the threat of war became imminent, the workers under the direction of the International would employ all appropriate means, according to the circumstances, to avert the danger.

This was followed by a paragraph jointly proposed by Rosa Luxemburg, Lenin, and Martov expressing—though Martov was a Menshevik—the ideas of the extreme Left. This dealt with the tasks of the workers in the case that war should break out "nevertheless." In this situation the workers were assigned a twofold duty: to aim at shortening the war and to take advantage of the crisis created by the war in order to hasten the downfall of the capitalist society.

It was this last paragraph, interpreted differently by different delegates, which Lenin later made the cornerstone of his wartime policy.

CHAPTER IV *Working-Class Internationalism*

§ WAR TIME DIVISIONS

IN VIEW of the decisions of Stuttgart, and Copenhagen, and Basle, it was incorrect to accuse the Second International in 1914 of having violated a pledge to prevent a war. Quite clearly the Congress decisions indicated that the International doubted whether it could prevent a war by the means at its disposal, and that the International refused to bind itself to use insurrectionist methods to avert a war. Nevertheless, the outbreak of World War I was a decisive defeat of the European labor movement. It indicated the relative weakness of internationalism; but, more importantly, it profoundly divided the European labor movement.

The issue over which the split occurred was not that of opposition to war; on this there was full agreement. What divided the labor movement was rather the attitude to be taken once war had broken out. Three different currents emerged. The majority Socialists, labelled "Social Patriots" by their opponents; the "pacifists-internationalists"; and the "revolutionary defeatists." Of these, the "Social Patriots" represented by far the largest group. They had the support not only of the majority of the Socialist parties, but also of the bulk of the trade unions—including, as we have seen, the majority of the French CGT leaders.

The majority covered a wide range of views: those who held that labor ought to support the war effort in order to avert defeat and ensure victory, but also nationalistic and imperialistic tendencies aiming at conquests and expansion. The "pacifists-internationalists" pointed out that these views were incompatible with the functioning of the International: since clearly not both sides in the war could win, the Socialists who favored the victory of the Western Allies and those supporting the effort for victory of the Central powers were defending mutually exclusive ideas. As long as this was the case, international working class cooperation was impossible. The only internationally acceptable policy, the "pacificist-internationalists" held, was that of aiming at an immediate peace "without annexations or tributes." No changes in the map of Europe or demands for reparations should be made. This view was in turn sharply criticized as an illusion by the extreme Left under Lenin. To expect capitalistic imperialism to call off the war as if it all had been a misunderstanding was unreasonable and futile. Referring to the last paragraph of the Stuttgart resolution, Lenin held that it was Socialist duty to aim at the defeat of one's own country. This would weaken the governmental machinery and create a revolutionary situation of which labor could take advantage to hasten the downfall of capitalism—as the Stuttgart resolution advocated.

The wartime divisions did not coincide with those of the prior debates in the European labor movement. A large number of the former Radicals found themselves among the "Social Patriots," while Eduard Bernstein, the leader of the Revisionists, shared the pacifist-internationalist views. But on the extreme Left, Lenin, in due course covered with the glory of the victorious Russian revolution, emerged as the outstanding leader. His followers gradually absorbed all or almost all of the extreme Leftist groups existing in Europe.

The prewar Second International ceased to function as a representative of Socialist labor on both sides of the trenches. When the war was over, European labor emerged in a threefold split. The Majority Socialists succeeded after prolonged diplomatic negotiations in reconstituting the Second International; but it was no longer the only international association of Socialist labor. Two new organizations came into existence. The supporters of Lenin formed—against the wishes of Rosa Luxemburg, who continued to reject Lenin's "democratic centralism"—the "Third" or "Communist International." The pacifists-internationalists, whose numbers and prestige had greatly increased, toward the end of the war, set up an "International Association of Revolutionary Socialist Parties." It stood somewhere midway between the Second and the Third International. Karl Radek, the Communist wit, dubbed it the "International Two-and-a-half."

§ THE INTERNATIONAL OF THE TRADE UNIONS

COMPARED with the divisions of the political labor movement, the international organization of the trade unions had a relatively quiet and less spectacular development. Although the war paralyzed its work, in much the same way as it had done in the case of the Second International, the reconstruction proceeded relatively smoothly.

International trade union organizations arose first in the form of so-called International Trade Secretariats. These were association of unions in different countries of the same craft or industry. The Typographical unions—pioneers of unionism in many ways—were the first to establish their international association in 1889, in conjunction with the founding congress of the Second International. They were

followed by the miners and many others. The international Socialist congresses uniting workers of many countries often served as a starting point for the organization of Trade Secretariats. In the first decade of this century, almost thirty of them were in existence, usually administered in conjunction with the Secretariat of one of the affiliated unions, with a minimum of expense and staff. More than two thirds of the Secretariats were installed in Germany—a symbol of the high international standing of the German labor movement. They served mainly as international information agencies and provided occasionally financial assistance to affiliated unions involved in a large-scale strike. A peculiar institution was the "Viaticum," a benefit paid out to travelling members of an affiliated union by the union of the country in which the member happened to travel—a survival of the old habit of journeymen to strike out on their own for a while before settling down in one particular place.[1]

A different system of organization came into being in Copenhagen in 1901. This was an international Secretariat of National Trade Union Centers, thus of national federations of trade unions such as the French CGT. Since the Second International was accepted as the leading international forum for the discussion of workers' problems, the international trade union secretariat was intended by the unions themselves to be merely a small auxiliary organization with modest and practical duties. The Secretariat was duly established the following year and attached to the German trade union center. In due course, small fees were agreed upon, as well as the holding of international conferences every other year.

The modesty of the ambitions of the international secretariat ran head-on into the desire of the French CGT to discuss such issues as antimilitarism and a general strike. For

1. See Lewis L. Lorwin, *Labor and Internationalism.* New York, 1929.

the French unions, the Second International did not serve as an outlet of ideological needs, since the unions did not cooperate with the Socialist Party and were not represented at the political congresses. Not so for the great majority of affiliated union centers who rejected the French request as likely to endanger the unity of views of Socialists and trade unionists. The American unions joined after Gompers had made a trip to Europe in 1909, although the American labor leader was fully aware of the great ideological differences between the AFL and European labor. At the request of the AFL the international secretariat was renamed "International Federation of Trade Unions" (IFTU) in 1913. It operated with a minimum of rules. Each center was free "to determine its own tendency and tactics," but only one center from each country could be affiliated. Under this clause, the Christian Trade union centers, that were set up here and there, were kept out of the IFTU. The total membership affiliated with the IFTU before World War I was 7.4 million of whom one third were Germans while the AFL formed the second largest contingent.

The relations between AFL and IFTU were not precisely happy. The meeting in Paris in 1909 which Gompers attended made a rather unfavorable impression on him. Among the Belgian delegates was Camille Huysmans, a professor and the secretary of the Second International. The CGT was represented by "anarchists" while the Austrian and the Dutch delegates, Anton Hueber and Jan Oudegeest, were "wholly Socialistic and denounced true trade unionism." Nor were the European trade union leaders any too happy about Gompers' attitude. The Austrian Hueber was particularly unfriendly.[2] But with greater mutual acquaintance relations began to improve. The European unionists were eager to

2. See Lorwin, *op. cit.*, p. 127 and Gompers' autobiography, *Seventy Years of Life and Labor*. New York, 1943.

foster their connection with the AFL. It was planned to hold an international conference in San Francisco, although the expense involved represented a staggering burden for most of the affiliated organizations. The outbreak of the war prevented the holding of the conference and further activities of the IFTU. On the allied side, some international Socialist and labor conferences were held—so labelled much to the displeasure of Samuel Gompers. They greatly embittered the relationship between the American and the European labor leaders since in Europe the "pacifist-internationalists" made headway while Gompers rejected—from 1917 on—any attempt to re-establish connections with the German trade union leaders as "insidious pro-Kaiser propaganda."

Although among the Europeans the French and Belgian trade unionists showed little inclination to meet delegates of the Central powers after hostilities ended, only the Belgians refused to take part in an international labor gathering held in Berne, Switzerland, in February, 1919. Gompers stayed away as well. He had suggested an Inter-Allied Conference and asked for a statement of peace terms which "offered no leniency to the foes of democracy." Nevertheless, the Berne meeting proceeded to call an international Congress which met in Amsterdam, in July, 1919. It was its task to re-establish the International Federation of Trade Unions. Gompers and two other AFL delegates attended. The Congress was stormy and the American delegates were repelled by the radicalism of the continental delegates, stimulated by the postwar revolutions. The AFL decided not to take part in the future work of the IFTU. In the words of Gompers, the AFL withdrew for the following reasons:

First—that the new constitution completely abrogated the principle of complete autonomy for each national trade union federation.

Second—that through the issuance of appeals and proclamations

the executive body of the international federation had committed the federation to a revolutionary principle, to which the American Federation of Labor is. and always has been uncompromisingly opposed and to which no labor movement guided by democratic ideals could give approval.
Third—that a system of dues had been adopted which will place upon the American Federation of Labor a heavy and unbearable expense.[3]

More important, in its immediate effects, than the withdrawal of the AFL was the Communist attack upon the IFTU. The twenty-one conditions for affiliation with the Comintern required all Communists to wage war against the "yellow Amsterdam International." Indeed, in 1921, the Communists organized their own trade union international, the "Red International of Labor Unions" (RILU, also called "Profintern"). It attempted first, by "boring from within" to take control of existing unions; at a later stage, Communist controlled unions were set up here and there in competition with Socialist unions. On the whole, however, once the high-tide of postwar communism was broken, roughly in 1921, the Communists did not represent any more a serious threat to the IFTU, although at times their nuisance value was not inconsiderable.

All in all, the international association of the trade unions was re-established more rapidly and—in spite of acrimonious debates—more smoothly than the political International. This, of course enhanced the prestige of the IFTU in much the same way as the political divisions of German labor strengthened the position of the German unions with regard to the divided Socialist parties.

---

3. Gompers, *op. cit.*, II, p. 509.

§ THE LSI

THE THREEFOLD split of the political Internationals corresponded to differences in the attitude to be taken towards the war. On this issue, as we have seen, opinions were divided differently from the way they had been on the Revisionist issue and other tactical problems before the war.

Once the war was over, new questions came to the fore and once again the divergence of opinion did not coincide with that over the wartime problems. The reconstituted Second International became more and more clearly identified with Revisionist views—although for reasons still to be discussed it never dared to accept the full implications of its new position. Its main support was the British Labour Party which adopted, in 1918, a Socialist program whose main author was Sidney Webb, the German Majority Socialists, and the bulk of the Scandinavian Social Democratic parties excluding the majority of the Norwegians.

The Third International, commonly called "Comintern," represented the policies that had led Lenin to victory in Russia. In popular opinion, this meant readiness for revolutionary action, willingness to establish a dictatorship of the proletariat, and immediate establishment of socialism. The fact that Lenin introduced his organizational scheme of "democratic centralism" into the Comintern, and that he imposed the same system upon all parties seeking affiliation, was hardly observed and even less understood by the workers and the general public. Yet this was in some ways the essence of Leninism.

Precisely because this was not recognized as the essential concept of Lenin, the International Two-and-a-half persisted for some time in the belief that the war-born split was destined to be temporary. The leaders of this group—Friedrich Adler, Otto Bauer (Austria), Léon Blum (France), for a

time Rudolf Hilferding (Germany)—represented a current which was sometimes labelled the "Marxian Center." Their platform was that the labor movement could not commit itself once for all to use only the democratic methods advocated by the Second International, nor to the "mechanical imitation" of the Russian methods as the Comintern prescribed. A real working class international should be all-inclusive. It should leave it to the decision of its affiliated parties which of these methods it should follow in different situations. Only such a united labor movement would be a fully effective organization.

The Third International consisted mainly of newly formed parties which in some way emerged out of the prewar extreme Leftist group. These parties grew very rapidly, thanks mainly to the fascination which the victorious Russian revolution had for the workers during the troubled years following the end of the war.

The strongholds of the "Marxian Center" were the Austrian, the French Socialists, and the Independent Socialist Party which was set up in Germany by the pacifist-internationalist group.

Two events set an end to the hopes of the Marxian center for a speedy reunion of the Internationals. The first was a meeting of the Executive Committees of the three Internationals held in Berlin in April, 1922, officially to discuss the problems of an economic conference to be held in Genoa, actually to explore the possibilities of an agreement. In its final result, the meeting clearly indicated that no hope for a unification existed. Before that, in October, 1920, the Independent Socialist Party in Germany was split by the personal intervention of the president of the Comintern, Zinoviev. The majority of the Party joined the Communists. The realignment of the German labor movement according to the new postwar issues was thus progressing. The minority of

the Party, left to its own devices, was too weak to carry on. On the wartime issues its leaders had held views at variance with those of the Majority Socialists. But this was now past history. No essential divergence existed between the Majority and the Independents on the problems of Germany after 1920. In due course, the two merged.

With the disappointment of its hopes for the unity of the working class and the disappearance of its German affiliate, the International Two-and-a-half had lost the reasons for its existence. In 1923, at a Congress held in Hamburg, it accepted a merger with the Second International to form the Labor and Socialist International (LSI). In its midst the Marxian Center continued to hope for the final unity of the labor movement, the re-establishment of a united Socialist International. But in its practical policy the LSI followed the directions given by its right wing, particularly the British Labour Party which more and more acquired the prestige that German Social Democracy had enjoyed before the war. On this basis, the LSI cooperated closely with the IFTU. In some ways the LSI became the political instrument of the Trade Union International—a reversal of the prewar leadership of the political movements.

CHAPTER V *The Inter-War Period*

AFTER the stormy postwar years were over—roughly from 1923 on—Europe entered a "golden era of democracy and progress." With the communist tide receding, democracy seemed firmly established. Protective labor legislation made considerable progress. Collective bargaining tended to become over large parts of Europe more and more the accepted method by which wages and working conditions were determined. Real wages advanced once the postwar inflations were over. There were dark spots in the bright picture: in Italy fascism was triumphant and destroyed at the same time democracy and free labor. But this was regarded by most laborites as a peculiar Italian phenomenon or at the most as a problem of the backward parts of Europe—of "the Europe of the four-legged horse" rather than "the Europe of the horse-power," in the colorful phrase of Francis Delaisi. Britain alone did not seem to share fully in the European recovery. Substantial unemployment continued to exist, but for the time being this did not seem to interfere seriously with the remarkable progress of the British labor movement, both politically and industrially.

But economic recovery merely concealed the serious problems of labor. Out of the war the movement had emerged in many countries with tremendously increased power. Its political strength was increased by the downfall of the semiabsolutistic monarchies in Central and Eastern Europe. In spite

of the war-time policy of the Majority Socialists, they were regarded by the war-weary population as pacifists; this greatly strengthened the moral authority of labor. In the war economy, management had come to be closely identified with the military; the defeat of the military in the Central powers weakened the authority of management in the factories and correspondingly increased the influence of the unions. But at the same time, labor though greatly strengthened, was not strong enough to assume by itself the political and economic leadership of Europe.

In other words, labor had become so strong that it was impossible, in many European countries, to govern against it and often even without it; but labor was not strong enough to govern alone against or without the assistance of other groups of the population. This was a situation often described as a "balance of class forces." In countries of parliamentary government this state of affairs expressed itself in the formation of coalition governments including Socialists. Without the participation of Socialists, it was often difficult or even impossible to form governments which would have the required parliamentary backing and the necessary moral authority to govern.

Socialists thus combined forces with anti-Socialist partners for temporary understandings. The resulting governments were often disappointing. The result of prolonged interparty negotiations, the cabinets were compelled to look for compromises on many issues, to avoid raising others altogether, and to forego forceful action on most of them. They were weak governments with little spirit or drive. They satisfied no one fully.

Labor was particularly handicapped by this development. This was a situation for which the movement was ill prepared. The Radicals, as will be remembered, had carried the day over the Revisionists. As a consequence labor continued to

think in terms of "the great collapse" when capitalism would break down, labor would take over power and proceed to establish socialism. But this had not happened. Instead labor in several European countries found itself confronted with the responsibilities of government without being in full control. For these tasks no program had ever been thought out or adopted by the labor movement. "The Socialist movement had a philosophy, but no policy to implement its basic creed."[1]

There was, of course, the list of traditional trade union demands, particularly in the field of protective labor legislation: eight-hour day, paid vacations, works' councils, and so forth. These were quickly enacted. But this did not meet the requirements; as a political party and particularly as a government party, labor needed policies on a great many issues with which the unions did not deal, and even more important, the specific union demands had to be supplemented by economic policies which would have enabled the countries to satisfy the union requests. Lacking such policies, labor proceeded to graft its reforms upon an unchanged economic and social structure, although very often the two were hardly compatible. Similarly, in the field of political policy, labor proceeded to write and enact advanced democratic constitutions under whose cover antidemocratic institutions continued to flourish.[2]

As long as prosperity reigned, these weaknesses did not fundamentally alter the situation, although it was in this period that the seeds of later catastrophe were sown. But the onset of the Great Depression at the end of the '20's revealed the inner contradictions in labor's policy.

The forebodings of these came in Britain, perhaps because

1. Adolf Sturmthal, *The Tragedy of European Labor 1918-1939*. New York, 1943, p. 19.

2. In the terminology which I used (*ibid.*), labor, though organized as a political party, behaved as a pressure group which leaves to others the task of integrating individual reforms with a large-scale policy.

Britain, as it was pointed out before, never fully participated in the economic recovery. In agreement with labor on all essentials, though not all details, Britain, led by Churchill as Chancellor of the Exchequer and the "City," pursued a policy designed to raise the exchange value of the pound sterling so as to re-establish the prewar dollar-pound rate. This meant, of course, that the prices of British goods for foreigners rose as well. If England was not to price herself out of the world markets, it was inevitable that British export prices expressed in pounds sterling had to be reduced in line with the appreciation of the currency. Price reductions required cost reductions which, in effect, meant wage cuts. To this the unions firmly objected. It did not help that employers pointed out that real wages would not be reduced since prices were to be cut as well. The unions correctly answered that the reductions affected wholesale prices and that, therefore, at least for a time, the wage cuts would lower real wages. But clearly employers had under the circumstances hardly any alternative course but to cut wages.

The stage was, therefore, set for a whole series of wage conflicts in British industry whose focus was coal-mining. There, technical and economic decline sharpened the issue. In 1926, finally, the coal miners went out on what proved one of the longest strikes in modern history and, for a few days, a general strike was called in their support. Both the general and the miners' strike were lost in the end—perhaps inevitably. For, in fact, British labor was pursuing a wage policy which contradicted its economic policy. It could not accept the revaluation of the British currency and reject wage reductions; for the latter were made inevitable by the first. It also followed that, in a sense, the British workers were striking against the wrong foe; not the employer, but the government had to be forced to change its policy.

§ THE GREAT DEPRESSION

SIMILAR contradictions arose with greater significance and further reaching consequences when the Great Depression started in 1929. The major organizations of European labor had no policy to deal with the depression. True, the unions had a clear line: no reductions of money wages, no reductions of unemployment benefits. But this was not an economic policy; it was merely an attempt to alleviate, as far as possible, the consequences of the crisis for the workers. Lacking an economic policy of its own, labor was compelled to borrow one, from a movement which it traditionally considered its philosophic neighbor: British radicalism—on the continent—democratic liberalism.[3] Its tenets were balanced budgets, stable convertible currencies, free trade. It held a firm belief in the necessity of economic crises as a device by which bad investments made in time of boom are being liquidated. This point of view "regards all attempts to alleviate depressions as likely actually to prolong them, by preventing the liquidation, bankruptcies, and economic adjustments which it is the depression's business to effect."[4]

Some of these views were supported by the recent experiences of the movement. Its preference for balanced budgets and stable currencies was enhanced by the fear of inflation. Having recently felt the disastrous consequences of inflation —low real wages, destruction of trade union funds, inability to resist worsening of the conditions of work—labor was determined not to permit any repetition of such a social catastrophe. As an advocate of consumers' interests, labor had traditionally opposed protective tariffs. It regarded them, not without justification, as an attempt to lower real wages.

These ideas were expressed in different ways by laborites

3. See Sturmthal, *The Tragedy of European Labor*, p. 85.
4. K. E. Boulding, *The Economics of Peace*. New York, 1945, p. 171.

in different European countries during the depression. In Britain, Philip Snowden acted as the guardian of radical orthodoxy. On the continent, in a somewhat peculiar way, laissez faire was presented as an inference from Marxian theory.

The Marxist theory, devised to separate socialism from middle-class progressivism, turned against its author. In all essentials, it said, capitalism could not be reformed. It had to be destroyed to enable the working class to advance economically and socially. This idea was to give revolutionary impetus to the Socialist movement in its drive for political power. But, since a revolutionary struggle now was considered impossible, the conclusion drawn from the Marxist thesis very frequently was that capitalism had to be run according to capitalist rules. In this view, laissez faire was the embodiment of the laws of capitalist economy.[5]

The labor movement in the major European countries thus became the bulwark of laissez faire economic policy with which it combined trade union demands in obvious contradiction to laissez faire. Money wages could not be maintained at predepression levels when shrinking effective demand forced down prices. With tax yields decreasing and unemployment rising, budgets could not be balanced if unemployment benefits were to be kept unchanged. Caught between the pressure of the unions and their laissez faire doctrine, the labor movements remained in a state of suspended animation while around them a world was collapsing.

This is essentially the story of the British Labour government between 1929 and 1931, and that of the Socialist-led German government in 1928-1930. The passivity of these governments when confronted with the greatest economic crisis in modern history sealed their doom. The consequences were different. In Great Britain a strong democratic tradi-

5. Sturmthal, *The Tragedy of European Labor*, p. 85. The book contains also a number of quotations from labor and socialist publications presenting the views summarized above.

tion prevented the breakdown of the government from being more than a severe parliamentary defeat. The Labour Party was split—the "orthodox radicals" under Snowden left the Party and MacDonald, though for entirely different reasons, shared their fate—and suffered the severest electoral defeat of its history. It needed more than a decade to recover from this crushing blow. The German development was far more dramatic. The democratic middle-class parties were deserted by their supporters and the democratic labor movement was weakened to the point where it could no longer successfully defend German democracy whose main pillar it had been throughout the life of the Weimar Republic.[6]

Throughout this period the Communist parties and the labor organizations under their control were no less "orthodox" than the Socialists. Indeed whenever the latter were showing any signs of relaxing their stubborn defense of laissez faire, the Communists stood ready to criticize them for their "betrayal." Communist economic policy was distinguished from that of the Socialists merely by the extravagance of Communist demands. When the Socialists rejected wage reductions, the Communists would ask for wage increases. The major Communist contribution to fiscal policy was the slogan: "Soak the rich." In the defense of the gold standard and of the existing gold parities of national currencies, the Communists rivalled the most passionate "sound money" advocates. In the Communist view, the contradictions existing

---

6. The emphasis on labor's weakness in the defense of democracy—which is further elaborated in *The Tragedy of European Labor*—seems to have been misinterpreted by some readers to mean that labor alone was to blame for the downfall of democracy in a number of European countries during the interwar period. This is of course not the thesis that I intend to present. Labor was the most loyal bulwark of democratic institutions at a time when they were exposed to the most terrific pressures by Fascists of all kinds and Communists. What I intended to convey is an explanation of why the labor movement—having become the main and almost the only defense of democracy—proved unequal to its task.

among their different policies were indicative of the contradictions innate in capitalism—of which Marx had spoken—rather than of their own defective logic.

This economic policy of the Communists was accompanied by a political policy of sharp opposition to the Socialists. According to the Comintern, evolution since 1917 passed through three different phases. The years from 1917 to 1922/23 were devoted to direct revolutionary struggle. This was followed by a period of "temporary stabilization" during which the Communists applied the so-called "United Front" tactics—continual offers of collaboration addressed to the Socialists, in the hope that their rejection would expose the hated Socialist leaders as enemies of working-class unity. As part of this strategy the Communists proceeded to set up "Front organizations" for general progressive purposes in which so-called "Innocents" were brought under Communist leadership.

Even before the first signs of the impending great economic crisis were manifest another change in Communist strategy occurred, opening up the "Third Period." The "provisional stability" of capitalism had come to an end. In view of this danger to capitalistic society fascism was developing. Social Democracy now stood revealed as a part of the fascist movement. "In countries where there are strong Social Democratic parties," said the Executive Committee of the Comintern in July, 1929, "fascism assumes the particular form of social fascism, which to an ever increasing extent serves the bourgeoisie as an instrument for paralyzing the activity of the masses in the struggle against the regime of fascist dictatorship." No longer could, therefore, "united front" offers be made to the Socialist leaders. They were enemies. Indeed, they soon became the main enemies of the Communist parties.

The economic breakdown gave justification to this change of Communist tactics—which, in fact, had been undertaken

in response to a turn toward the Left in Russian domestic politics. The violent attacks upon Socialists and trade union leaders now corresponded to the temper of desperate unemployed workers. But, at the same time, the very absurdity of Communist demands, their renewed efforts to split the unions, wrought havoc with Communist influence among the employed workers. In fact, however, Communist extremism remained almost exclusively verbal. No revolutionary action whatsoever accompanied the violent language used by Comintern orators. By this combination of extremist scare-slogans and complete inability to implement them, the Communists succeeded in rousing bitter hatred and fear that democracy might prove too weak to defeat the "terrible plans" of Moscow. The Communists greatly weakened democracy—to the benefit of Naziism far more than their own.

§ POPULAR FRONT

THE ADVANTAGES which the Nazis derived from Communist policies were so obvious that even the Communist leaders were aware of them. But they were convinced that Hitler's triumph would be no more than a brief episode and that it would be followed by a Communist victory. "After Hitler—our turn!" became the slogan of the German Communists. It was only in the course of 1934—more than a year after Hitler's advent to power—that the Comintern began to realize that Naziism had come to stay and that its continued rule represented a mortal threat to the Soviet Union. As a consequence, Moscow began to look for allies in the West, particularly in France, Germany's traditional foe.

Internal events in France favored a Communist approach. A Fascist danger had arisen in the French Republic. At first, following the line which the Communists had pursued in Ger-

many, their French colleagues participated in the onslaught upon the democratic institutions. But at this point the weakness of French working-class organizations operated in favor of French democracy. Disregarding their leaders, the French workers, in a wave of democratic enthusiasm, compelled the Communists to accept cooperation with the Socialists and the CGT. The Communist-controlled unions of the CGTU accepted a merger with the CGT, although this placed them under predominantly non-Communist leadership.

In one of the sudden changes of which the Communists—thanks to Lenin's "democratic centralism"—are capable, Communist strategy took a new turn to suit the new foreign policy of the Soviet Union and the "line" which the French workers had imposed upon the Communists. Cooperation with the Socialists and Socialist-led trade unions became a major objective but beyond this the new policy aimed at establishing an alliance, at first of all democratic and progressive forces, later of anyone who was prepared to resist Nazi Germany. The slogan of Social-Fascism was, of course, dropped as was the policy of revolutionary defeatism, Lenin's strategy during World War I. Communist speakers dwelled upon patriotic themes and became ardent protagonists of national defense. The "Popular Front" was to be the instrument of international resistance to Hitlerite Germany.

The effects of the new policy were most immediately felt in France where the Popular Front became a coalition of the—now united—unions, the Radical Party under Daladier, the Socialists, and the Communists. This alliance won an impressive election victory in 1936 and formed the basis for a government headed by the Socialist leader, Léon Blum. Elsewhere Communist attempts to win friends and influence people were crowned with varying degrees of success. The British Labour movement in particular remained cool to Communist offers of friendship and cooperation. Sir Stafford

Cripps was the main advocate of an understanding and his persistence led to his temporary expulsion from the Labour Party.

Hitler's victory in Germany came as a crushing blow to the non-Communist labor movement in Europe, but the adjustment to the new situation was slow. Partly this was the result of the dramatic events that followed, one after another in the wake of Hitler's victory: the defeat of Austrian democracy in February, 1934, after a brief, but heroic resistance of the workers; the destruction of all democratic governments in Eastern Europe with the sole exception of Czechoslovakia; Hitler's successful diplomatic moves against the remnants of the Versailles Treaty; the outbreak of the Spanish Civil War and of the war in Abyssinia. To a large extent, however, the slow adjustment in the international policies of the non-Communist labor movement was an expression of the strength of pacifist feelings and of a failure to understand the essentially warlike nature of the Nazi régime. The Socialists in particular, both in France and in England, remained convinced for some time that somehow a peaceful settlement with Hitlerite Germany was possible. Thus, shortly before taking office as French Prime Minister, Léon Blum stated:

> We wish to cooperate with all nations of the world, whatever may be their internal policy in eliminating the causes of conflict which might some day lead to war. We wish to work with all nations and for all nations, provided they sincerely desire to work with us in building up peace. Let it not be supposed for a moment that we Socialists may ever dream of adopting an aggressive attitude or of avenging our persecuted comrades or of destroying this or that regime. We do not believe, as our ancestors of 1792 and 1848 did, that war can have a liberating and revolutionary virtue. We reject war absolutely.

Even at the time of Munich, the Socialist attitude was ambiguous; relief that the danger of war was apparently

averted was mingled with shame at the betrayal of Czechoslovakia and a secret fear that worse was still to come.

For the Communists, such weakness was a perversion of the entire purpose for which the Popular Front had come into being.[7] "Collective Security" and resistance to Hitlerism became more and more the main objective to which they dedicated themselves. On the other hand, some anti-Communist groups in the labor movement extended their resistance to communism so as to include opposition to collective security as well. This was particularly the case in France, after the downfall of Blum's government.

Within the reunited CGT friction soon developed between the Communists and a right-wing group led by René Belin who published a trade union paper "Syndicats" devoted to the struggle against Moscow. Léon Jouhaux, the leader of the CGT, remained in the center in an effort to keep the organization together. But the internal conflicts became more and more intense and foreign policy was the focus of the division. Belin defended a kind of French isolationism against Communist advocacy of Collective Security. An unsuccessful general strike on November 30, 1938, added fuel to the fire. The defeat of the unions led to a rapid loss of membership while the governments which followed the appeasement policy whittled away the great social reforms obtained during the heyday of the Popular Front regime.

The conclusion of the German-Russian pact completed this development. While the government rapidly drove the Communists "underground" the French union leaders expelled all those who endorsed the agreement between Berlin and Moscow. A new split developed within the French labor movement as well as elsewhere as far as free labor organiza-

---

7. It is, of course, doubtful whether the Communist intended to cooperate loyally with the Popular Front government, whatever the latter's foreign policy.

tions still existed. British labor, on the other hand, having at last completed the readjustment of its international policy, took a leading part in organizing resistance to the totalitarian wave. The outbreak of the war and the progress of Hitler's armies opened a new phase in the history of European labor.

CHAPTER VI *The New International*

THE RECONSTRUCTION of the labor movement after World War II greatly emphasized international aspects. This was perhaps natural under the circumstances created by the war. The IFTU, driven by the war from the continent and deprived of most of its affiliates, was in practice restricted to the British TUC and the AFL. The role of the Soviet Union in the war and of the CIO affiliates in American war industries—steel, automobiles, rubber, oil—gave increased importance to organizations which were in no organic connection with the IFTU. Russian policy took advantage of the vacuum thus created. An Anglo-Russian trade union committee was set up in October, 1941—in the Russian view as the nucleus of a new trade union international.

§ WFTU

FOR A WHILE this plan was defeated, mainly by the refusal of the AFL to enter into any form of association with the Soviet organizations, which the AFL refused to recognize as bona-fide labor organizations. Moreover, the British were by no means ready to abandon the IFTU or their time-honored associations with the AFL. They used delaying tactics as long as they could. Even when they finally had to agree to the calling of a world labor conference, they insisted upon the merely consultative character of the meeting.

The Conference met after some delay, in February, 1945, in London. The AFL alone of all major labor organizations was absent. Its place was taken by the CIO. The cautious tactics of the British proved of no avail. They were overwhelmed by the power which the Communists could muster in their efforts to establish a new trade union international; they found, in this respect, the support not only of the CIO —now for the first time a part of the international labor movement—but also of the French in whose leadership the Communists and their friends played a decisive role. As a result, the Conference took a number of preparatory decisions which in due course led to the establishment of the "World Federation of Trade Unions." The structure of the new organization was to represent a careful balance between the Communists—who, in fact, had the power to control, but preferred not to use it openly—and the non-Communists, mainly represented by the British. Thus the President was to be British; Secretary-General was the French trade union leader, Louis Saillant, who before the war belonged to the non-Communist wing of the CGT; the executive committee was to be divided half and half.

It soon developed, however, that the very existence of the WFTU was based upon a passing situation, misunderstandings, and errors of judgment. "The new trade union international reflected . . . the situations of the governments. The London conference foreshadowed the harmony of Yalta . . . the real test [for the cohesion of the WFTU] came when the governments' will to cooperate began to slacken."[1] When in the course of 1947/48 the wartime alliance of the Soviet Union and the Western powers began to break up, internal stresses developed within the WFTU. The announcement of the Marshall Plan led to an open crisis. The WFTU Secre-

1. Adolf Sturmthal, "Russia and World Labor." *Current History*, May, 1945, p. 390.

tariat and the majority of its Executive Committee refused to discuss the Plan with the result that the minority formed by the CIO, the British and the Dutch, driven forward by the AFL, proceeded to form a separate organization to collaborate with the organs of the Marshall Plan. This made the crisis even sharper and the final breakup inevitable. The split of the French trade unions in 1948 gave the division the last required impetus.[2] Born out of the alliance of the great powers, the WFTU disintegrated when the collaboration between East and West ceased.

Underlying all this was the issue of whether an international trade union association composed of labor organizations from countries of so highly diversified social and political systems as the Soviet Union and the United States could cooperate effectively. The unions combined in the WFTU could be divided into four groups:

a) The Soviet Union and the countries of eastern Europe with an almost completely nationalized industry;

b) Great Britain, most of Continental Europe west of the Trieste-Stettin line, some of the British Dominions (such as Australia and New Zealand), all countries in various stages of development between private enterprise and democratic socialism;

c) the United States and the countries of private enterprise (such as Canada); and

d) Latin-America and other countries of a colonial economy.

A glance at this list may be sufficient to indicate that neither group (d) nor group (a) could, in the long run, hope to set the pattern for the international labor movement; group (a) obtained a temporary leadership at the end of the war, but

2. See the two reports on the international trade union movement in *Industrial and Labor Relations Review,* Vol. I, No. 4, July, 1948; and Vol. III, No. 3, April, 1950.

it could hardly retain its influence unless it succeeded in extending its hold far beyond its present limits. For the problems confronting the workers in the great majority of all other countries represented in the WFTU (groups b, c, and d) have little in common with those which the labor organizations in the first group have to solve.[3] Indeed, it requires little analysis to show that international political issues represented almost the only common denominator of so heterogeneous a group as the WFTU. A review of the discussions and resolutions of the organization will show that this is what the WFTU had been dealing with, and it is no accident that the break came over a political issue such as the Marshall Plan. No less conclusive is the fact that the patterns of trade union action in eastern Europe, even where the same problems are given as in the West, are so different from those of the Northwest and are felt by the latter to be so inferior, that the leadership of the first group will not for long be willingly accepted by the unions of the second group. It is doubtful whether a Swedish labor leader in charge of a union of long standing, with good finance, highly developed insurance features, and a solid record of peaceful collective bargaining would see a model to be followed in the activities of some of the ephemeral Romanian, and Bulgarian, or even of the Russian unions. It is conceivable that group (d), the unions of countries with an economy of colonial character, may accept Russian leadership, but this combination will be insufficiently strong to carry the entire international movement.

Being thus essentially a political body, the power of cohesion of the WFTU was dependent on political agreement. When this passed, the open break became inevitable.

The disintegration of the WFTU was encouraged by the highly effective struggle of the AFL against the new international. To an extent never before attained in the history of

3. Except, perhaps, for Group d. See below.

American labor, the AFL devoted itself to international labor affairs. Associating itself closely with the Marshall Plan, the AFL took part in the trade union conference of the nations concerned with the European Recovery Program in March, 1948, which was a decisive step on the road toward the break-up of the WFTU. Financially and morally the AFL supported all anti-Communist and anti-WFTU moves within European labor; one of the features of the AFL action was the sending of two permanent delegates to Europe who functioned as labor ambassadors with the European unions.

The AFL struggle was greatly facilitated by the attitude of the International Trade Secretariats. Under the WFTU statutes these Secretariats were to lose a good part of their autonomy and to become departments of the International. Confronted with the danger of absorption by the WFTU, some of the Trade Secretariats looked for American support against the Russians and their allies. The first step taken was the affiliation of the International Association of Machinists (then independent, formerly AFL) with the reconstituted International Metal Workers Federation. Later other unions were reported to have taken steps leading toward affiliation with their Trade Secretaries. The aim was obviously twofold: to enable the International Trade Secretariats to continue to exist independently of the WFTU, and second, to encourage particularly the British unions to maintain their affiliation with the Trade Secretariats. Once these results were obtained, full confidence was expressed that a substantial number of continental unions would follow the British example. That these plans were not wholly imaginary appeared from the renewed self-confidence with which the General Council of the International Transport Workers' Federation (ITF) on November 28, 1947, expelled from its rank the (Communist-dominated) French Transport Workers Federation. The of-

ficially announced reason was that the French organization had not fulfilled its financial obligations toward the international federation. The real meaning of the decision emerges out of two other resolutions voted by the General Council of the ITF. One of them asked all organizations affiliated with the ITF to boycott any conference of transport workers called by the WFTU. The other expressed unqualified support for the Marshall Plan. The struggle for autonomy of the International Trade Secretariats—which finally set up a Coordinating Committee of their own under the General Secretary of the ITF, Oldenbroek—hastened the disintegration of the WFTU.

Some errors of judgment on the part of the non-Communists in setting up the WFTU became manifest in due course and embittered internal relations. The influence of the President, Sir Walter Citrine, General Secretary of the British TUC, proved minor compared with that of Louis Saillant, head of the Secretariat of the WFTU. Under his direction, the machinery of the International and particularly its publications, took on a distinctly Communist character. In the prewar days Saillant belonged to the non-Communist wing of French labor. At the "peace negotiations" of the French underground in Perreux he was one of the CGT delegates who dealt with the Communist union leaders. But after the war he was clearly associated with the Communist faction. This gave it decisive influence in the new International. When finally the Chinese member of the Executive Committee took sides with the pro-Communists, the latter obtained control of the highest administrative body.

Clearly, however, the fate of the International was sealed when East-West relations became openly hostile. This evolution was reflected also in the international relations of the Socialist parties.

§ LSI

THE DEVELOPMENTS in the international trade union field had their counterpart in the political movement. Since the German catastrophe in 1933, the Labor and Socialist International had led a precarious existence. Deprived of its German and shortly afterwards of its Austrian affiliates, the LSI had little authority. The Spanish Civil War clearly revealed the weakness of the organization. While at international gatherings the delegates of the various Socialist parties voted for resolutions protesting against "non-intervention" in Spain —the blockade of the Republican government by the democratic countries—the Socialist parties at home continued to support that very same policy. When the tension preceding World War II increased, some LSI affiliates felt that the policy of collective security pursued by the International became a danger for the attempts at neutrality of some of the European countries in the coming storm. Pressure developed to transform the International into a simple liaison and information office without any pretense of political leadership. In fact, therefore, the LSI ceased to function even before the invasion of Belgium by the German armies in 1940 paralyzed the machinery of the International.

Some international contacts were, however, maintained throughout the war by informal meetings between Socialist refugees from the Continent and the British Labor Party.

§ ICFTU

AFTER the non-Communist unions left the WFTU three main organs were left for their international cooperation: the Trade Union Advisory Committee of the Marshall Plan, the Coordinating Committee of the International Trade Secre-

tariats, and the Workers' Group of the ILO. The first two have already been mentioned; the last deserves a brief explanation.

The Workers' Group of the ILO is not much more than a meeting-ground for union delegates from the countries affiliated with the International Labor Organization in Geneva. The ILO is constituted on a tripartite basis—government, employers, and unions each forming a section of the organization. The union delegates form the so-called Workers' Group, which meets as such during the ILO conferences, elects its officers, and prepares the strategy of the group. Such meetings offer union delegates from different countries an opportunity to get acquainted and exchange views. At times this opportunity has been of great value, e.g., between 1934 and 1937. During this period the ILO was the main point of contact between the AFL and the European unions since the United States joined the ILO in 1934, while the AFL remained separated from organic affiliation with the international trade union movement until 1937.

None of these contacts could form a permanent substitute for a Trade Union International that would give battle effectively to the WFTU.

After brief preparatory meetings, the non-Communist unions, therefore, proceeded to set up a new trade union international, the International Confederation of Free Trade Unions (ICTFU). It was the outcome of two international labor conferences held in London between November 28 and December 9, 1949. The first of them was the Free World Labor Conference which met to receive the reports of a Preparatory Committee which had drawn up draft statutes and a draft program for the organization-to-be. Having obtained agreement on these and other points, the Free World Labor Conference transformed itself into the founding congress of the ICFTU.

The conference consisted of 261 delegates from 53 countries, who represented 59 national centers and 28 individual trade unions. They comprised roughly 48,500,000 organized workers, while another 1,500,000 were represented by observers. Although not all of these membership figures can be accepted with equal confidence, the ICTFU is undoubtedly the strongest international trade union organization in existence.

It was inevitable that anti-Communism should be the dominant theme of the London conferences. All those who were present were there because they were at odds with the Communist-controlled WFTU. Opposition to the totalitarian threat from the Left was thus the rallying point. But for a great many of the delegates this negative slogan was not enough. They applauded enthusiastically when William Green described the program of the AFL and even more so when Walter Reuther used the slogan, "Neither Stalin nor Standard Oil," and then proceeded to describe a program combining security and freedom. "We assert that economic and political democracy are inseparable. We demand full participation by worker organizations in economic decisions affecting planning, production and distribution," said the Manifesto of the Conference, following Reuther's ideas. And it continues: "Where vested economic interests block the road to human progress, private planning for profit must yield to public planning for people."

This indeed was the most radical, most "leftist" of the slogans issued by the Conference. For the rest, it kept carefully away from the traditional language of European Socialism, so familiar to prewar labor gatherings. A long, thirty-six point statement on "economic and social demands" contains a catalogue with which the average New Dealer in the United States would have had no difficulty in agreeing. The issue of the nationalization of industry—one of the basic

problems of Western trade unionism—is carefully circumscribed in the following terms: "With respect to those basic industries . . . which are vital to the successful functioning of the whole economy, there must be such democratic mechanisms as will make them responsive to national necessities."

Since the overwhelming majority of the European delegates consisted of Socialists, the cautious language of the Conference decisions was a measure of the influence exerted by the American delegation. Indeed, it is hardly exaggerated to state that the ICFTU was sponsored by the United States unions. For the first time in the history of the international labor movement, both the AFL and the CIO were represented at an international trade union conference, and they were backed by the unaffiliated miners. They had sent an unusually strong delegation headed by William Green, George Meany, Matthew Woll, David Dubinsky, and George Harrison for the AFL; Walter Reuther, David McDonald, and Allen Haywood for the CIO; and Paul Reed represented the United Mine Workers. With their fourteen or fifteen million members—the largest single bloc at the conference—their strong financial reserves, their newly aroused interest in international labor problems, the prestige of the country, and—what was perhaps decisive—their almost complete agreement among themselves, the United states delegates played a major role. Although quite naturally William Green and Walter Reuther, leaders of the two American delegations, spoke a somewhat different language, the divergence was a matter of nuances and temperament rather than of substance. In all major problems AFL and CIO saw eye to eye.

American influence was clearly responsible for the conference decision regarding the participation of Catholic unions in the ICFTU. Christian, mostly Catholic, trade unions exist in a number of European countries, particularly in France, Belgium, Holland, and Switzerland. They are often rivals

of the Socialist-inspired labor organizations of their countries. They are united in the International Federation of Christian Trade Unions, with headquarters in Holland. In the past, the Socialists often attacked their Catholic rivals as splinter organizations and "yellow" unions—i.e., as a kind of company union. The issue as to whether the Catholic unions should be invited to take part in the confederation aroused considerable difficulties. The American delegates insisted upon an invitation being addressed to the Catholic unions, partly because the United States delegates wished to form a united front of all anti-Communist labor forces; partly in order to avoid Socialist predominance within the new organization. The Belgian, Dutch, and Swiss delegates strongly resisted, until a compromise presented by Walter Reuther was arrived at. According to this understanding the Catholic unions were invited to join the ICFTU, provided they agreed to leave the International Federation of Christian Trade Unions within two years. In other words, the Catholics could either join the ICFTU or stay in their own international association, but they could not do both for more than two years. The Catholic delegates present seemed somewhat embarrassed by the resolution; in the end the Catholic unions remained outside the ICFTU.

After prolonged negotiations, the Congress designated Brussels as the headquarters of the ICFTU and elected J. Oldenbroek, of the International Transport Workers Federation, General Secretary and Paul Finet, of Belgium, President of the ICFTU.

The founding Congress provided for regional machinery and clearly expressed the desire of the International to make greater attempts than in the past to extend its organization overseas. Regional organizations have since been set up in the Western hemisphere and in Europe. The European organization has absorbed the functions of the Trade Union

Advisory Committee for the Marshall Plan. The center of gravity of the ICFTU is in Europe and the United States. Numerically and ideologically the unions of the North American continent, Britain, and Western and Central Europe have the lead. They are united in their resistance to totalitarianism in all its forms, particularly to Communism. But the relationship between the unions of America and those of Europe is, nevertheless, not without serious problems.

The American unions function in a country of unequaled prosperity and of an expanding capitalism. The unions of Western Europe live under various stages of transition from capitalism to socialism, and the capitalistic institutions remaining in their countries are of an essentially different nature from "free private enterprise" of the American style. Some of the speeches by American delegates clearly illustrated this basic difference. In an excellent speech William Green proclaimed the need for a 30-hour work week for the whole world. Other American speakers placed the right to strike in the center of their aspirations. Walter Reuther claimed that, the problems of production having been successfully solved, the problems of the distribution of the national income are now in the forefront. These points clearly illustrate trade union action and aspirations in the United States. But they appear in a somewhat peculiar light when seen from the viewpoint of European trade unions today.

European trade unionism is closely associated with political parties, some of which are responsible for the governments of their countries. They administer large nationalized enterprises. Their concern is production as much as distribution. British trade unions are engaged in a valiant effort to increase the productivity of labor, to maintain rather than shorten the hours of work, and to prevent, as far as possible, unnecessary work stoppages. They had just prior to the founding of the ICFTU accepted the principle that wage

increases depended upon increases of the national income. The slogans of the American trade unionists seemed dated and out of place for them, much as the tasks and methods of trade union action in Western Europe seem odd to American trade unionists.

The ICFTU is the result of the resistance of democratic trade unions to Communist efforts to impose the Russian pattern upon labor everywhere. The new International can work successfully only if it is based upon the realization that the trade union struggle in different parts of the world must follow different roads, and that the social evolution in different parts of the world proceeds in manifold ways. Unity in spirit and substance, rather than uniformity of methods, slogans, and patterns of action—these must be the guiding ideas of the ICFTU if it wishes to work effectively in a world of bewildering diversity.

CHAPTER VII *Strength and Weaknesses*

IN VERY MUCH the same way as World War I, the second great war tremendously increased the power of communism and its influence over world labor. As a consequence, the struggle between Socialists and Communists for the control of the European labor movement took on great intensity. Indeed, in some ways this conflict affected all aspects of European labor since the end of World War II.

Two phases can be distinguished in the postwar relationship between socialism and communism. For some years after 1941, common resistance to Hitlerism, either in the underground movement or on the battlefield, made for cooperation between the two parties. Among the trade unions this cooperation was expressed, as we have seen, in the Anglo-Russian Trade Union Committee and later in the founding of the WFTU. Politically, Socialist and Communist cooperation found its expression in the formation of governments in France and Italy in which Socialists and Communists jointly participated. This phase came to an end in 1947. Collaboration ceased rather abruptly and made way for open conflict. This is the period in which the World Federation of Trade Unions broke up, the new International Confederation of Free Trade Unions was founded, and the trade union movement in France and Italy was split into warring factions led by Communists and their opponents.

Politically the split manifested itself in the breakup of the

governments in which the Communists had participated. In France the "third force," a coalition of Socialist and center parties, took over the government while in Italy the Socialists were divided over the issue of cooperation with the Communists. One current, under the leadership of Giuseppe Saragat, joined the Catholic party in forming the new government of the country. Pietro Nenni led the majority of the Socialists into full dependence upon the Communists.

The reasons for this development were manifold. The most obvious cause was the profound divergencies between Socialists and Communists on international policy, which became particularly acute with regard to the Marshall Plan. This in turn was a reflection of the breakup of the wartime alliance between the Soviet Union and the Western Powers. No less important was the fate of the Socialist parties in eastern Europe which were absorbed by the Communists.

§ THE THREE ZONES

WHILE the Communists gradually eliminated the forces of democratic socialism in eastern Europe, those in western Europe underwent a process of decline. This was particularly clear in France and Italy, the two weakest links in the Socialist chain in Europe. Roughly speaking, Europe appears divided into three zones according to the degree of power of democratic socialism: eastern Europe—bordered on the west by a line running from Trieste to Lubeck—where the democratic socialist parties have been absorbed by the Communists; northwestern Europe—Great Britain and the Scandinavian countries, Norway, Sweden, Denmark—under predominantly Socialist influence; the rest of continental Europe where the Socialists are a more or less powerful opposition

group, even though in France—at times—and Austria they are represented in the government.

An analysis of the voting strength of the Socialists shows that nowhere do they control half of the votes at popular elections. In four countries—Great Britain, Norway, Sweden, and Denmark—the Socialists poll 40 percent of the votes or more, but less than 50 percent. In France and Italy their share in the total drops below one fifth. Germany stands between these two groups. The stronghold of democratic socialism is thus northwestern Europe with Great Britain as the center. France and Italy are countries of Socialist weakness. It is also in these two countries that the Communist vote exceeds that of the Socialists. Indeed, there is a large degree of correlation between Socialist strength and Communist weakness, Communist strength and Socialist weakness. In all countries in which democratic socialism is particularly strong, the Communists are a small minority. The dark spots on the map of democratic socialism are those countries in which communism is strongest. Socialist strength is thus inversely proportionate to Communist power.

A comparison between Socialist and Communist strength on one hand and the influence of these parties on the trade union movement on the other hand indicates the importance of the trade unions for the strength of the two parties. Wherever the Socialists are strong they are the leaders of the strongest trade union current. Communist power in France and Italy is based upon the control of the party over the majority of the organized workers of these countries. The heart of Socialist strength, northwestern Europe, is also the area of strong, unified, Socialist-led trade unionism. In Germany and Austria, Socialists predominate in the governing bodies of the trade unions. The presidents and a large

majority of the executive committees of the trade union confederations in these two countries are Socialist. It is not surprising, therefore, to find that the Socialists in Germany and Austria are rather strong.

The end of World War II was accompanied in Europe by a rapid progress of the Socialist movement. Most of the Europeans regarded Naziism and fascism as the last resistance of capitalism to the advancing wave of Socialism. The fact that in most Nazi-occupied countries big business circles had formed the core of the "Collaborationists" and "Quislings" seemed to confirm this, just as did the fact that Socialists and trade unionists had been in the forefront of the resistance movements.

The election victory of the British Labour Party in 1945 together with the advent of governments of Socialist and Communist inspiration in France and Italy seemed the inevitable confirmation of the breakdown of the old order. A series of nationalization measures in France and England followed, implementing the Socialist character of the new régimes. World War I, it was said, had brought about the establishment of an anticapitalistic régime in Russia; World War II would complete the victory of Socialism in the rest of Europe.

These hopes were rapidly disappointed. Within the short span of four or five years democratic socialism in Europe has been forced into the position of what is on the general European level a minority party. Western Germany is governed by parties devoted to the principles of capitalism. Although the Socialists are represented in the governments of France and Italy they form only minority groups within the government coalitions and exert little influence upon the course pursued by the governments. Indeed, it is precisely in France and Italy that the decline of socialism since the end of the war has been most conspicuous.

The decline of democratic socialism over a large part of western Europe—the political counterpart to Communist control of a majority of the trade unions—has many reasons. Perhaps the most obvious is that the Socialist-inspired régimes at the end of the war suffered in popularity by the fact that it was their duty to administer the poverty in the wake of the war. They were compelled to impose wage stops and sought to distribute fair shares of what was inevitably insufficient supplies of consumer goods. The main tools of administration were rationing, price controls, exchange controls, and restrictions of the freedom of unions. This led to two equally disastrous consequences. The different controls were administered with greatly varying success. In Great Britain, with its rather easily controllable foreign trade, the high sense of civic responsibility of the population, and fairly satisfactory rations, the results were not unfavorable. On the Continent, however, the administration was on the whole unreliable. Corruption was widespread. Violation of laws had been a patriotic duty under the Nazi occupation. Once learned, the lesson of disobedience was not easily forgotten. In Germany and Austria the black market was closely connected with the occupation armies which were above the law. The peasants successfully resisted the city-sponsored control measures. The rations were so small that the use of the black market was a matter of life or death for a large part of the population. When the control system was finally removed, the population felt rightly or wrongly that it was freed from an intolerable burden of government regulation and government-sponsored corruption. But the ouster of the control system—introduced by the Socialists and passionately defended by them—required the defeat of the Socialists. Deprived of their "fair shares," hoping to obtain the necessities of life by the workings of the "free market," the population turned against the Socialists.

Many of the Socialists realized that rationing and price controls were emergency measures imposed by the circumstances and had nothing to do with the Socialist program or principles. Some understood that at best these controls would work if based upon radical anti-inflationary measures of a fiscal nature which they found impossible to carry out against the combined resistance of the Communists and of large parts of the Right. But failing to develop acceptable alternative policies, the Socialists began to be identified, by the population and occasionally by themselves, with the system of quantitative controls and restrictions of consumers' freedom. To many Europeans, socialism began to mean rationing, price controls, limitation on travel abroad, etc. The result was the resurrection of economic liberalism in large parts of Europe. But it must be added that the immense authority which the United States enjoys in Western Europe, and which the Marshall Plan has merely emphasized, has also operated to the disadvantage of the Socialists. Whether intended or not, the example of America has come to the support of laissez-faire liberalism in Western Europe.

§ NEW IDEOLOGY

TWO GREAT experiences have shaped the thinking of the democratic socialist movement since the end of the war; the experiences of the totalitarian dictatorship of the Nazis and the threat of a new totalitarian dictatorship by the Communists. The main expression of the new spirit is the disappearance of that current which during the interwar period was represented first by the "International Two-and-a-Half" and later by the "Marxian Center."

This group has disappeared in the postwar turmoil, both in a physical and in an ideological sense. The men who rep-

resented this group—Otto Bauer, Léon Blum, Friedrich Adler —have either died or retired from the movement. In addition, the ideas which they represented have ceased to influence the democratic labor movement in Europe. In many ways this is the most important new aspect of the European labor movement since the end of World War II.

This development has affected Socialist thinking in these main respects: with regard to the Socialist-Communist split, the concept of a Socialist economy, the significance of democracy and civil liberties, the ethical and humanitarian foundations of socialism, and the role of socialism in the world struggle for peace.

The main objective of the International Two-and-a-half had been to reunite the two branches of the working-class movement, namely the Second and Third Internationals. At the instance of the Marxian Center, the LSI stated in its statutes that:

> it appeals to the Socialists of all countries to give support to its efforts by making all endeavors to bring about a united front against capitalism and imperialism both in their own countries and in the international working-class organization.

Otto Bauer wrote of the need of achieving a "Socialism of synthesis" or an "integral Socialism" which would combine all that is valuable in right-wing socialist Reformism with the will to power of the Communists. Reformism, in his view, was too much concerned with the Socialist tasks of the present moment, disregarding those of the future. Communism placed too much emphasis upon future needs at the expense of the immediate defense of working-class interests. Only when reunited could the two wings of the labor movement adequately perform their immediate tasks as well as prepare those of the future.

Ideas such as these emerged again at the end of World War II, having been revitalized by the wartime alliance of

the Soviet Union and the Western democracies. But the advance of the system of "Popular Democracy" with the support of the Red Army, Russian pressure upon the satellites, the Tito revolt, and the coup in Czechoslovakia combined to bring about a complete change. Communism appears no longer merely as a wing of the international working-class movement—with which an understanding might be desirable and possible—but rather as the instrument of a foreign power aiming at subjugation instead of alliances and collaboration. Moscow does not seek friends, but subjects. Now communism is regarded as a system not merely of social change but also of national oppression. By resisting communism the Socialists are conscious of defending not only democracy but also national independence.

The absorption of the Socialist parties in Eastern Europe by the Communists, the expulsion of the pro-Communist Socialists in Italy from the community of European socialism, and the expulsion of pro-Communist members of Parliament by the British Labour Party mark the successive steps by which the Socialist movement abandoned the idea of ultimate Socialist-Communist unity. The split has been accepted as permanent, or rather an idea of a battle to the end has replaced the former language for a peaceful merger.

This has been accompanied to a certain extent by a searching and critical re-examination of the very concept of a Socialist society. In its sharpened hostility toward any form of totalitarianism, the Socialist movement has come to look with increasing skepticism at the concept of a fully planned and fully nationalized economy. Such an economic system patterned after that of the Soviet Union, would, it is feared, inevitably form the social basis of a totalitarian dictatorship. Instead, the Western European Socialists describe their objective—at least for the next historical period—more and more in terms of a mixed economy in which a nationalized sector

coexists with a sector reserved for private enterprise, and in which the market plays an important part. Socialism, in one word, tends to become "liberal socialism." While the Marxian Center never tired of pointing out that the Socialist-Communist disagreement was over tactics and not over final objectives, the postwar Socialists are coming closer and closer to a clear assertion that the division concerns the final aims as well as the methods of the two movements.

This growing realization of the gulf separating Socialists and Communists is furthered by the enhanced emphasis which the Western Socialists are placing upon democracy and civil liberties. Not that Socialists at any time failed to realize that their ultimate aim was a society of democracy and fully developed civil liberties. But a number of Socialist parties—particularly the French and Austrian—had at times expressed the view that a temporary dictatorship of the proletariat would become inevitable since the bourgeoisie would not give in without unconstitutional resistance to a Socialist majority engaged in constructing the bases of a new society. Such unconstitutional resistance on the part of the bourgeoisie, the Linz program (1926) of the Austrian Socialists for instance pointed out, would compel the Socialist majority to resort to dictatorial methods for a period of transition. The experience of Nazi oppression, but probably even more the struggle against the establishment of a Communist dictatorship, have changed the Socialist attitude to one of unconditional allegiance to democracy and civil liberties. This does not necessarily imply that no Socialist party would ever be willing to associate itself with emergency measures in time of war or civil war, which might temporarily suspend civil liberties or democratic rights. What is implied in that change is rather a shift in emphasis, so far as the education of the party members is concerned, to an unconditional belief in the value of democratic methods.

This shift has been accompanied by a rapid, perhaps not very profound but nevertheless significant re-examination of Marxian theory. Differing in this respect from British Labour, Continental Social Democracy has been deeply imbued with the spirit of Marxism. Contrary to what many United States newspapers do, the Continental Socialists have never identified Marxism and communism, but rather have disputed the Communists' claim to the true descendancy from Marx and Engels. They have described themselves rather than the Communists as the true disciples of Marx. Indeed, fear of Communist vituperation often compelled Socialists to profess publicly a belief in Marxian theories which in private they did not hesitate to criticize. This led frequently to a contrast between words and action, philosophy and practical application, which during the interwar period became more and more obvious. The activity of the movement corresponded to the Revisionist ideas, but the revolutionary language remained almost unchanged.

This contrast has now been resolved; Revisionism has been carried over into the language of the movement as well. Although the intellectual production of the Socialist movement since the end of World War II has not been very great in volume, what there has been has indicated a readiness to revise and re-evaluate accepted notions, far beyond the interwar theory of the movement.

There is in particular great emphasis on "voluntarism" as opposed to the "inevitability" of the pre-World-War-I version of Marxism, on human choice among alternative courses of action, and consequently on moral and humanitarian values. Indeed, one of the significant intellectual developments, by no means entirely new, but gaining in significance since World War II, is the search of the Socialist movement for ethical, humanitarian, and often religious values. The stronger the opposition to the Communist Party and its belief that the

end justifies the means, the greater is the emphasis on the moral values of Western civilization. The main political implication of this development resides in the fact that the Socialist leaders in their great majority feel that democratic socialism is opposed with equal vigor to Communist totalitarianism as well as to capitalistic democracy. Both offend the sense of justice, which democratic socialism represents—capitalism by the inequality which accompanies it, communism by the suppression of civil liberties. The "Third Force" idea is to a large extent a rationalization of this state of mind.

The ideological development of democratic socialism has profoundly affected the conditions surrounding the Socialist-Communist struggle for the control of the labor movement in Western Europe. For these Socialist leaders who have completed their transformation are no longer hampered in their opposition to communism by the traditional Marxian idea of class-solidarity which so often in the past prevented them from using against communism all the weapons at the Socialists' disposal. The rejection of communism is now absolute and unqualified. While the Socialists continue to hope that they may win over the followers of the Communist parties, no reconciliation with the Communist leadership or ideology is even considered. "Integral socialism" combining the best features of reformist socialism and revolutionary communism has been rejected: the struggle against communism has become a life or death issue for democratic socialism without any hope or intention of a compromise.

This represents a profound change, vitally affecting the entire course of the Socialist movement. It is therefore not surprising that it is as yet neither complete nor fully understood.

That it is not complete should be readily understandable in the light of both past and recent history. For a definite separation from communism is a break with the past of the

Socialist movement and its basic creed of class-consciousness and the solidarity of the working class, at least as interpreted during the interwar period. The Communist Party is no longer regarded as the most obvious ally; indeed, it has become the most dangerous enemy. In the light of the postwar development of Soviet communism, the parties under its control are no longer considered labor parties aiming by a different route at the same objective, but enemies of the working class trying to subject it to the dictatorship of a small self-appointed élite.

This way of thinking clearly contradicts some of the most recent experience of the workers of most countries of the Continent—the community of thought and action of the "underground" under the Nazi occupation. The evolution of these new concepts of the role of democratic socialism has, therefore, gone farthest in these countries in which either this last experience was least vital, or more dramatic and more recent events have counteracted the memory of the wartime struggle. Thus Northwestern Europe, on the one hand, and Germany and Austria on the other hand, are the area in Europe in which this evolution seems to have gone farthest, while France and Italy are in a somewhat different situation.

Moreover, since this change is of extremely recent date, it has, of course, not affected equally all parts of the labor movement. It is obvious that whatever the leaders feel or think, large numbers of workers within the socialist parties or in the unions under their influence are not yet prepared to abandon long-held and cherished beliefs.

No less consequential has been the intimate contact with the American labor movement. Although by no means the first time that European and American labor have cooperated, postwar relations have reached a stage of intensity never equalled before. American unions are maintaining permanent

delegates in Europe, United States embassies and Marshall Plan missions are staffed with labor officers who frequently come out of the labor movement. These contacts concern mainly the trade union movement, but by way of the close relationship between unions and socialist movements in many European countries they affect almost equally the political organizations as well. The tremendously increased importance of the the United States, and the presence of American troops in so many countries have further stimulated interest in the United States. The "third discovery" of the United States by Europe—following the rediscovery in the '20's when technology and the allegedly crisis-proof economy in the United States were studied with great attention—is under way.

Contact with the United States confronts European socialism with the puzzle of a labor movement wholeheartedly committed to capitalistic institutions, though engaged in modifying them by its daily activities. Though not a new problem in Socialist literature, the continued existence and the success of such a labor movement now raise questions with which European labor must grapple if it is to understand its role in a world in which the United States sets the pace in so many respects. The high standard of living and the influence of American labor in the affairs of its country—in spite of the absence of a labor party—seem to contradict many long-cherished beliefs of the Socialists.

The American phenomenon has combined with the Revisionist trend of European socialism to blur the frontiers of Socialist thought on the Right, just at the same time as those on the Left were drawn more sharply than ever. With increased emphasis placed on such issues as full employment, social security, and the use of taxation as a device to make for a more even distribution of income, the Socialist move-

ment has found close allies in progressive non-Socialist groups. The full implications of this rapprochement are not yet in sight.

§ COMISCO

WHEN in December, 1944, during a conference of the British Labour Party contacts among a number of the reborn Socialist parties were resumed, the issue of what functions the International should perform, immediately came to the fore. As will be remembered, a number of Socialist parties before the outbreak of the war had felt that the International should limit itself to functions of mutual information among the Socialist parties. They rejected any attempt to give the International any authority over the policy to be pursued by the affiliate organizations. This point of view was represented primarily by the British Labour Party and the Scandinavian Social Democrats. They continued to hold these views after the end of the war as against the Belgian and French Socialists who proposed that a new full-fledged International be established which would give political leadership to the affiliates. Although the discussions have continued to this day, in effect the British have carried the day.

A "Socialist Conference of the United Nations" held in London in March, 1945, appointed a committee to prepare a new organization which came into being at a subsequent conference of nineteen Socialist parties held in May, 1946, in Clacton-on-Sea. The decision provided for a modest information and liaison office to be established in London, which would organize, from time to time, international Socialist conferences. Five meetings have been held so far: Zurich (June, 1947); Antwerp (November-December, 1947); Vienna (June, 1948); and Baarn, Holland (May, 1949).

Another conference was held in Copenhagen in 1950.

Three main problems confronted the conferences: the relationship with the Socialists of former enemy countries, particularly Germany; the issue of the reconstruction of a full-fledged "International"; and the relations to the Socialists of Eastern Europe and Italy. The general Socialist-Communist issue was debated in connection with the last problem.

After World War I, the issue of whether and when to readmit to the International the Socialists of the ex-enemy countries, particularly the German Social Democrats, was one of the most delicate questions. Having supported the main lines of the policy of the Imperial Government, the Social Democrats were guilty, in the eyes of their Western colleagues, of having violated the principles of Socialist internationalism. No such accusation could be leveled at the German Social Democrats after World War II, but nevertheless their admission presented a number of difficulties, raised particularly by the Socialists of Eastern Europe. Following the policy which Moscow wished the Socialists to adopt toward Germany, the Polish and Czech Socialists defended the—fundamentally un-Marxian—theory of the collective German guilt and at the conference in Zurich submitted the German Social Democratic leader, Dr. Kurt Schumacher, to a searching examination. Nevertheless, at that conference a majority of the Socialist parties voted for the admission of the German Social Democrats, but since a two-thirds majority was necessary the actual admission was postponed until the conference in Antwerp. The admission of the Austrian Socialists presented no major difficulties.

The Antwerp conference also decided to transform the somewhat haphazard organization into a more permanent one. It provided for the maintenance of a somewhat expanded office in London under a permanent administrative committee, regular international conferences, and a committee elected

by the conference to act in its behalf. The committee has been given the name of COMISCO (Committee of the International Socialist Conferences). Thirty-three Socialist parties —twenty-four with full status—are affiliated: all of Western Europe (in Italy both the Saragat Party, PSLI, and the Romita-Silone group "Unita Socialista" are, for the time being, admitted); Brazil, India, Japan, and the Canadian Cooperative Commonwealth Federation; the two international Jewish groups, Poale Zion and Bund. The Socialist parties in exile (Hungary, Bulgaria, Poland, Czechoslovakia, Romania, and Yugoslavia) and the Socialist Party of the United States are admitted as observers.

Although this organization is somewhat more solid than that set up at the end of the war, it is still a far cry from being an "International" in the traditional meaning of the term, namely, an organization which could impose its discipline upon its members and develop a consistent policy toward major international issues.[1]

At an early stage the differences between Eastern and Western parties manifested themselves within the European Socialist movement. While those of the West began to assert their independence from the Communists, the Socialists of Eastern Europe were compelled to move closer to their Communist allies. The forced merger of the Social Democrats in Eastern Germany with the Communist Party and the absorption of the Romanian, Bulgarian, and Hungarian Socialists into the Communist parties of their countries greatly embittered the relations. Even before this, the Socialists of East and West were unable to agree on a uniform policy toward the Marshall Plan. At a COMISCO meeting in London on March 20, 1948—following the Communist coup d'état in Czechoslo-

1. At a Congress held in Frankfurt, Germany, in 1951, the Socialist International was reconstituted, but it continues to be a consultation center, rather than a disciplined, policy-making organization.

vakia—a solemn warning was addressed to the Polish and Italian Socialist parties "which are at present following the same path to absorption." After the merger in Poland had been achieved, the Italian Socialists under Pietro Nenni were expelled from COMISCO. In their stead, the Socialist group (PSLI) under Giuseppe Saragat and later the Romita group were accepted. With that step a sharp line was drawn between Socialists and Communists.

CHAPTER VIII *Types of Collective Bargaining*

IN ALL democratic countries of Europe, though in different degrees, collective bargaining has tended to develop into the prevailing method of determining wages and working conditions. In principle, collective bargaining has been endorsed by all the major labor organizations of western Europe and by public opinion. This does not mean that it functions smoothly everywhere west of the Iron Curtain. The discussion of French experience will indicate one example of serious difficulties. Even less would it be true that the forms and methods of collective bargaining are the same everywhere. Indeed, a number of patterns have evolved which are greatly at variance one from the other. Of these, three will be briefly discussed in the pages that follow: namely, the British, the French, and the Norwegian patterns. These have been selected, partly because they represent in some ways typical arrangements, partly because they show some of the main problems of collective bargaining in Europe.

§ COLLECTIVE BARGAINING IN BRITAIN

COLLECTIVE bargaining has been largely established in Great Britain since the turn of the century. By 1910 the Board of Trade could report to Parliament that "the method of col-

lective bargaining may be said to prevail throughout the whole of our manufacturing industries and to a very considerable extent in regard to the employment of dock and waterside labor, and of labor employed in transportation and sea fishing." World War I gave further encouragement to collective bargaining with the result that shortly after its end collective bargaining covered substantially all parts of the labor force in Great Britain.

The main principles of collective bargaining are similar but not identical with those applied in the United States. Indeed, the emphasis on mutual consent of employers and unions is greater even than in the United States. There is no legal instrument in Great Britain which would correspond to the Wagner Act, which means that no legal duty exists to engage in collective bargaining. Nevertheless, refusals to bargain are exceptional and public opinion supports the system of collective wage determination. Similarly, acceptance of the duties involved in collective agreements is purely voluntary but "loyal acceptance has in fact been the rule in all the trades concerned."[1]

In line with the organic growth of labor organization and the voluntary basis of collective bargaining, the bargaining machinery has followed its own course without any preconceived plan. As a result, great diversity exists in the agreements, in the mechanisms for arriving at them, and in their content, as well as in the procedures for the settlement of disputes arising from them. Nevertheless a trend toward

1. Ministry of Labour and National Service, *Industrial Relations Handbook*. London, 1949, p. 18. For the nationalized enterprises, however, the duty to bargain collectively has been laid down in the nationalization laws. Since the boards of the nationalized industries determine with which unions they are to bargain, they are performing in a sense some of the functions of the NLRB in the United States. Cf. below Ch. IX. The concept of exclusive bargaining rights has no counterpart in Britain where workers in a given plant may belong to different unions and be represented by them.

national agreements can be clearly observed with the result that nationwide collective agreements negotiated between a national union or several of them and an association of employers or several of them have become more and more frequent. On their bases district agreements are concluded, although in some cases regional agreements are accepted in the place of national agreements. This does not necessarily mean that wages and working conditions are uniform throughout the country. Indeed, London differentials taking into account the higher cost of living in the capital and other variations, are frequent. But on the whole, the trade unions in Britain favor uniform wage scales for the same occupations and locality rather than great variations among the wages of their members. "This uniformity tends to establish the solidarity and collective spirit upon which Trade Unionism is most firmly built and eliminates the individualism which might arise from too much differentiation in rates."[2]

The typical agreement being one between a union (or group of unions) and an association of employers, "competitive sectional bargaining," in the words of Lord Beveridge, is the rule. The power and prestige of union leaders partly depends upon their ability to obtain higher or earlier wage increases for their members than other union leaders. The TUC as such does not intervene in collective bargaining, nor does it have any but moral influence upon the wages policy of affiliated unions. When in the postwar emergency a general trade union policy on wages was to be determined, this was done, not by the usual trade union congresses—although they dealt with the issue—but rather by specially called conferences of the executives of the affiliated trade unions. Even

---

2. *Industrial Relations Handbook*, *op. cit.*, p. 174. The wage scales set in the agreement are, however, only minima. A good deal of individual bargaining persists, leading to rates above those set in the agreements, particularly under the conditions of full employment.

so, their decisions had, strictly speaking, no binding force for each individual union.

The basic principle is voluntary acceptance of negotiated conditions of employment. There are, however, two major exceptions to this principle. One is represented by the Trade Boards and similar arrangements; the other by the *Conditions of Employment and National Arbitration Order* established in 1940.

The Trade Boards which exist under laws enacted in 1909 and 1918 apply to poorly organized trades where "sweated wages" could not be improved, within a reasonable length of time, by union action. For these trades, the Boards are empowered to fix minimum wage rates. This is the British equivalent to some aspects of the American Fair Labor Standards Act and the state minimum wage laws.

More basic, in some ways, but designed as a temporary measure is the compulsory arbitration system established in July 1940 at the height of the British emergency in World War II. This is based upon an agreement between the unions and the employers and embodied in the *Conditions of Employment and National Arbitration Order*. Briefly stated, the order does three things: it prohibits strikes and lockouts unless the dispute has been reported to the Minister of Labour and no move toward a settlement has been made by him within twenty days; it establishes a National Arbitration Tribunal—three public members, one representative of labor and management each—which acts only for those disputes that cannot be handled by an existing collective machinery for the settlement of labor disputes; finally, it imposes upon employers in the trade the duty to observe wages and conditions settled by collective agreement or by arbitration. Compulsory arbitration was extended throughout the postwar emergency, but still with the agreement of unions and management. Strikes are almost all "unofficial."

Apart from these two exceptions the principle of free collective bargaining has been preserved throughout the war and the postwar troubles. Compulsory arbitration is merely an emergency measure and will probably be abolished without further ado if and when the unions or management clearly so desire. As the official *Industrial Relations Handbook* states, " . . . Compulsory arbitration and the prohibition of strikes are unlikely to be successfully established as a permanent feature of industrial relations."[3]

§ THE FRENCH PATTERN

COLLECTIVE bargaining in France has a brief history. Apart from a short period following World War I, collective bargaining may be said to have started in 1936 under the pressure of the Popular Front Government of Léon Blum. The lateness of the development was the result primarily of the resistance of the French employers who preferred to maintain the old "master-in-our-own-house" system, but also of the weakness of French labor organizations, and, partly, of the rejection of collective agreements by them, as a betrayal of the class struggle. It was only in 1919—after the downfall of revolutionary syndicalism during the war—that the CGT came out in favor of collective agreements and concluded a small number of them under a new law, enacted on March 25, 1919. The Communist split of the CGT and the general decline of the labor organizations soon set an end to this first major attempt at establishing a system of collective agreements.

With the famous Matignon agreement of June 7, 1936,

3. *Op. cit.*, p. 28. Since the above was written compulsory arbitration has indeed been repealed in 1951. Cf. Jean T. McKelvey, "Legal Aspects of Compulsory Arbitration in Great Britain," *Labor Law Journal*, Vol. 3, No. 5, May, 1952.

during the Popular Front regime a new beginning was made. Following the agreement, a law was enacted in June, 1936, which made a deliberate effort to adjust the system of collective agreements to the conditions of a country in which trade unions were relatively weak in membership, unstable, and divided by philosophical, religious, and other considerations. The law provided, therefore, that collective agreements are to be concluded by "mixed commissions," combining spokesmen of the "most representative organizations" of employers and employees. The Minister of Labor was given power to "extend" these collective agreements, in full or in part, to all enterprises of the same kind within the territory referred to in the agreement. In this way the private contract acquired the power of a public decree, and the observance of its wage clauses could be enforced with the methods applicable to any other public decree. In addition to action of a civil nature, such "extended" agreements had, therefore, the power of penal sanction as far as wages were concerned. The "mixed commission" appeared as a quasi-public organ which makes laws when the Minister of Labor approves. The fact that the Minister could not change the agreement, but at the most restrict its "extension" to certain provisions, confirmed the "legislative power" of the commission, as did the fact that the "extended agreement'" lost its validity when the original agreement expired or was changed.[4] As a result of this system, there were two kinds of collective agreements in France; those valid only for the parties to the contract, and those endowed with general validity. Some 5,780 agreements of the first kind were concluded between 1936 and 1939, and some 680 of the second kind.[5]

---

4. It is interesting to compare this system with the American method of "extension" introduced by the system of "exclusive bargaining rights" in combination with the majority principle of the Wagner Act.

5. Jean Brèthe de la Bressaye, "Le Noveau Statut des Conventions Col-

As these figures indicate, the enactment of the law of 1936 was followed by the conclusion of a large number of agreements. Trade union membership rose to staggering heights; the merger of the CGT and the CGTU in March, 1936, enhanced the power and prestige of trade unionism.

A number of important legal problems arose as a consequence of the act. First of all, it was necessary to define the concept of the "most representative" organizations, particularly on the trade union side. For even after the merger of CGT and CGTU in 1936, French trade unionism remained split into a number of rival organizations of which, in addition to the CGT, the Catholic Unions of the CFTC, a foremen's and engineers' union, CGCE, and a large number of unaffiliated, so-called "autonomous," unions were the most important.

A 1936 circular of the Minister of Labor addressed to his staff, in particular the Labor inspectors who had a share in the determination of the "most representative" organization in collective bargaining in areas smaller than the entire nation, enumerated a series of factors to be considered. It stated that the size of membership alone was not decisive. The following should also be taken into consideration: the age of the organization, its share in past negotiations, the amount of its dues and the regularity of their payment, the character of the statutes and the conditions of affiliations (i.e., whether the workers had joined freely or under the pressure of their employers).

The circular indicates that more than one organization might be described as "most representative." This contradicted the interpretation given by Prime Minister Léon Blum

---

lectives de Travail," *Droit Social*, Vol. 10, No. 3, March, 1947. In recent discussions before the National Assembly, P. H. Teitgen, Minister of State, reported that 687 agreements had been extended, among them eleven national agreements. Cf. *Le Monde*, January 5, 1950.

during the parliamentary debates preceding the adoption of the law, but the practice has followed the circular rather than Blum's statement. All later official texts make it clear that more than one organization can be "most representative." For this interpretation—which is in opposition to American ideas—its advocates appealed to the "spirit of French individualism," the great ideological diversity of the French workers, etc. No less important, it may be assumed, was the strategic need of preventing the CGT—although at that time under strong non-Communist leadership—from obtaining a trade union monopoly at the expense, in particular, of the Catholic labor organizations and of the Confédération Générale des Cadres de l'Economie Française (CGCE, created in 1937).[6]

It is clear that the designation of a union as "most representative" has reference to the territorial framework of the negotiations. It is not necessarily the same union which was designated to take part in the negotiations of a national or a regional or a local (or possibly plant) agreement. A similar distinction held true for negotiations dealing with particular categories of workers.[7] The designation was made by the Minister of Labor for negotiations on a national agreement; by the labor inspectors for negotiations in smaller regional units. Against these designations an appeal was possible to the Higher Arbitration Court (Cour Supérieure d'Arbitrage) and, after its suspension by decree of September 1, 1939, to the Conseil d'Etat, a High Court specially dealing with the legality of administrative actions. The Minister's circular had no binding legal force for the courts but served as a guide.

In spite of the important changes in the legislation on col-

---

6. Since 1944 this organization has called itself CGC. It organizes salaried and technical employees.

7. This principle is not clearly stated in the texts but has been upheld in a number of decisions.

lective bargaining, the concept of the "most representative" organization has survived. It has been retained in the emergency legislation enacted at the outbreak of World War II when the "most representative" labor organizations were empowered to designate the "délégués du personnel," a kind of shop steward. After the war, the same principle was used for the establishment of the lists of candidates for the election of the Comités d'Entreprises (joint committees of labor and management to deal with any question affecting the welfare of the workers and to consult on issues relating to the general functioning of the enterprise). It is, therefore, important to follow its further evolution.

A circular of the Minister of Labor, of May 28, 1945, repeats essentially the same characteristics as those referred to in the circular of 1936 but goes beyond it in three respects: it adds as another factor to be considered the "patriotic attitude" of the organization during the war and the occupation; it emphasizes the need for particularly critical examination of organizations restricted to one establishment; and finally it designates some organizations, the CGT and the CFTC,[8] which are to be considered as fulfilling the requirements of the circular. This circular caused a good deal of difficulty. It was used in particular by the CGT to oppose the participation of the Confédération Générale des Cadres (CGC) in the mixed commissions. As a consequence a joint decision of the Prime Minister and the Minister of Labor, on March 13, 1947, stated new principles, stressing the membership of the organizations. Accordingly, all eligible organizations can be considered as "most representative" provided they enroll 10 percent of the total union membership in the branch of industry and 25 percent in one of the occupational groups to

8. This is, in some respects, the first official document recognizing the representative character of the minority trade union confederation. Cf. Gaston Tessier, "La C.F.T.C.," *Droit Social*, 8, No. 3, March 1945, p. 107.

be considered. For the discussion of special parts of the agreement, those organizations may also be admitted which have 33 percent of the union membership in the particular professional group. If no organization fulfills these requirements, the one with the highest proportion for the entire industry and the organization with the highest proportion in the particular professional category will be selected. All other organizations may address written communications to the President of the mixed commission and be informed by him about the progress of the negotions.

This decision required the unions (and employer groups) to submit documents proving their membership claims, their dues, and the regularity of their payment. This proved extremely difficult. Some organizations refused to make known their memberships; others made obviously exaggerated claims. Nevertheless, a table of the organizations admitted to the mixed commissions was finally drawn up. It indicated that of the twenty-three branches into which, for the purposes of collective bargaining, the economic body was divided, the CGT was represented in twenty-three, the CFTC in thirteen, the CGC in twelve. In addition, the national syndicate of the Assistant Druggists was represented in one branch. In most branches the employees were subdivided into workers, foremen and white-collar workers, and cadres.

The split between CGT and CGT-FO (Confédération Générale du Travail-Force Ouvrière, a non-Communist trade union confederation) in 1947-1948 made necessary a further revision. It was made again jointly by the Prime Minister and the Minister of Labor, on April 8, 1948. It stated simply that for all categories of employees the three main organizations were admitted: CGT, CGT-FO, and CFTC; for the discussion of collective agreements relating to the higher staff—the CGC; for agreements referring to particular groups alone or of limited though national significance, the Minister of

Labor may designate other organizations as "representative." He has the same right for particular cases with regard to other organizations.

The development of collective agreements which had been given a powerful impetus by the law of 1936 and the rapid growth of the trade unions did not last very long. After the failure of the General Strike on November 30, 1938, and the renewal of the conflict between Communists and non-Communists in the CGT came the outbreak of World War II. A decree of October 27, 1939, stabilized working conditions "for the duration" at the level of September 1. Other decrees, of November 10, 1939, and June 1, 1940, gave the Minister of Labor authority to fix wages. The Vichy regime dissolved the trade union confederations and employers' federations by the "law" of August 16, 1940, which was implemented by a decree of November 19, 1940. This decree ordered dissolution of the CGT and of the CFTC and of a somewhat ephemeral semi-Fascist organization, the Confédération des Syndicats Professionels (CSPF), which had been founded in 1937 in conjunction with the Parti Social Français. Instead Vichy proclaimed on October 4, 1941, the "Charte du Travail" which abolished free trade unions and, of course, free collective bargaining. The revival of collective bargaining had to wait for the liberation, although for a long period after it the Minister of Labor continued to determine wages, and uniform wage changes were decreed several times by government authority.

On December 23, 1946, a unanimous decision of Parliament, adopted almost without discussion, marked what was intended to be a first step toward a return to collective bargaining. In essence, the new law enabled the mixed commissions to meet again and to determine working conditions. Wages, however, continued to remain within the province of the Minister. This, it was urged, was necessary because

of the inflationary effects of ill-considered wage increases; because of the necessity of carefully planned wage differentials from occupation to occupation, so as to direct the labor force into socially important channels; and finally, as the Minister of Labor, Daniel Mayer, stated, to give to the state control of the labor market, under the slogan of the "Economie Dirigée," the "controlled economy."

While the law was an advance in the direction of collective bargaining as far as working conditions were concerned, it marked, however, a step in the opposite direction in that it required the Minister's approval for all collective agreements. His approval implied at the same time the "extension" of the agreements. Thus no agreement was valid unless the Minister approved it; and such approval made the agreement automatically a public regulation for the entire occupation or branch of industry within the local limits laid down in the agreement itself. The former division of agreements into two classes—those with limited validity and those "extended" to nonrepresented employers and employees—disappeared. Moreover, the law determined the sequence in which agreements could be concluded: national, regional, local, and plant agreements, each based upon the preceding higher-level agreement.

The law provided for the establishment of two organs for its implementation: the "mixed commission," whose composition on the union side was briefly referred to above, and a Commission Supérieure des Conventions Collectives, an advisory body for the Minister, which examined the general economic effects of agreements before the Minister approved them. In fact, however, only one collective agreement of any significance was established under the law, that of the bank clerks.

The reasons for this failure were threefold: first, the determination of wages was excluded from collective bar-

gaining and retained by the Minister of Labor. In a period of inflation almost the entire attention of the workers centered on wages. Second, the law of 1946 exempted the nationalized enterprises from collective bargaining altogether. Their wages and working conditions are determined by law. For some of the most active union federations—coal, gas, electricity—collective bargaining in the strict sense was, therefore, meaningless. Third, the conflicts among the trade unions weakened all of them.

The pressure for unrestricted collective bargaining increased in the course of 1948 and 1949, the more so as price controls and rationing were rapidly abandoned. The government hesitated; it feared that a wave of wage increases would endanger the stability of the currency. The employers were less recalcitrant, but they pointed out that the unions were asking at the same time for "the freedom of wages" and the continued maintenance of a minimum wage determined by government authority. Finally, in November 1949, the government submitted the draft of a new law on collective bargaining.

The draft had a highly unfavorable reception among all trade unionists. They objected that the state still retained too large a part in wage determination, and that through compulsory arbitration the right to strike, though guaranteed by the Constitution, was in fact abolished. In exchange for concessions on these issues, the government succeeded in salvaging two main points during the parliamentary discussions:

1. The Minister of Labor is free to decide in the light of circumstances whether to "extend" collective agreements to workers and employers not represented by the partners to the agreement. The law thus returns to the principles of the legislation of 1936. The labor organizations had asked that the "extension" be automatic, once an agreement was concluded. Under the law of 1946, as will be remembered, the

Minister was free to approve or not to approve an agreement. His approval carried automatically the "extension."

2. The determination of a national minimum wage for all occupations—called "minimum vital" in French labor parlance—is to be prepared by a government-appointed Higher Commission of collective agreements on the basis of a family budget. But the government itself makes the final decision. By that method the government wished to avoid a general wage increase in the way of a substantial increase of the minimum. (Minimum wages for the different occupations can of course be set higher than the "minimum vital" in the different collective agreements.)

In its essentials, the new law returns to the principles of 1919 and 1936. It abandons the strict hierarchy of the law of 1946 which required that national agreements must precede the regional ones, regional agreements those limited to one town, etc. The agreement does not require government approval, and the settlement of wage questions may be included in the agreement. The role of the government was thus restricted principally to the calling of meetings of the mixed commissions; to a decision on whether to "extend" the agreement or not or only certain parts of it; to determine the minimum wage:[9] some activities regarding conciliation and arbitration will be discussed later. In some respects the new law shows a good deal of originality, as, for example, in the requirement that collective agreements must contain a clause providing for equal pay for equal work for men and women; that the minimum wage is to be determined by reference to the elaboration of a typical family budget, but not necessarily on this basis alone; that the labor inspectors

9. Experience has shown that this clause has given the government a good deal of influence on the entire wage structure; the latter has moved fairly closely in line with changes of the minimum wage.

have the right to control the application of all parts of an "extended" agreement—not only of the wage clauses as in the past.

The new law on collective bargaining represented a step forward toward freely negotiated agreements between employers and unions. But it made this step under highly unfavorable conditions.

French trade unionism is divided into many competitive organizations. At the time of the "Accords Matignon" in 1936, the intention was most probably to make eligible for collective bargaining "the most representative" union only. This, as was pointed out above, soon proved politically impossible. For under that system, the CGT would have had a monopoly in almost all branches of industrial activity, while the Catholic unions would have been restricted to a few sections of trade and commerce. To this the Chamber objected violently. Thus, the principle of multiunion representation in collective bargaining was accepted. It led inevitably to two chains of consequences; greatly increased difficulties in arriving at agreements and a prolonged struggle for a change in the method of selection of the "most representative union." Union rivalry at the conference table expressed itself in a process of competitive demands. Every union endeavored to demonstrate that its competitor was "giving in" too readily to the employers, and the union representatives were reluctant to accept reasonable compromises out of fear of their rivals. To demonstrate that no better result could be obtained, the unions "tolerated" strikes with or without official approval—someimes with the result that even the previously obtained concessions were lost.

The struggle for admission to the "charmed circle" of "most representative union" was essentially waged with political weapons, since it was the Minister who decided in

the last resort. Thus French labor relations were (and continue to be) made dependent, to a large extent, upon the political influence of each union.

This is complicated by the fact that the largest of the trade union centers, the CGT, is dominated by the Communist Party. Labor relations are thereby made dependent not only upon the issues arising between French workers and their employers, but also between the French Communist Party and the French government, or even between the Soviet and the French governments. Thus the first postwar years, when the Communists were represented in the government and Franco-Russian relations were fairly harmonious, were extraordinarly quiet in the factories as well. From the summer of 1947 on—the Communists having left the government and the Marshall Plan beginning to embitter Franco-Russian relations—successive waves of strikes expressed at the same time the social dissatisfaction of the workers, the political struggle in France, and the friction between the Soviet Union and France. In the nature of things collective bargaining requires that both parties be prepared to accept common-sense solutions and ultimate cooperation. It is difficult to see how it can successfully operate when foreign policy dominates the scene.

The difficulties, however, are not all on the workers' side. The French employers have accepted collective bargaining only as the lesser evil compared with government determination of wages. The unions have little reason to believe that the majority of the employers have really abandoned their old "master-in-my-own-house" ideas. Neither employers nor workers have any sustained experience in collective bargaining. The government is reluctant to abandon its controls, since no one feels certain as to the results of free collective wage determination.

Indeed, it is difficult to see how the system would operate

under French conditions if high employment levels were to coincide with strong union organization. The low degree of competition in French industry, the emphasis on national agreements, and the tradition of local union initiative are factors that would cooperate to produce irresistible inflationary pressures.

The present situation may have different results. The unions are weak. The CGT, though still a large organization, has been beaten again and again in the last three years, and the political center of gravity of France has shifted to the Center and the Right. In spite of a high level of profits in many enterprises, French employers are unwilling to make major wage concessions. The CGT insists upon a solution of "fringe issues," which would be extremely costly, and upon trade union rights in the plants which the French employers are unlikely to grant in the foreseeable future. Under the circumstances it is probable that few collective agreements will actually be concluded.

Mere agreements on wages which the law allows, are, however, being concluded. In the first three months since the enactment of the law some seventy-five such partial agreements were concluded, among them eleven national agreements. It is significant for the present state of French labor relations that the majority of these agreements, forty-four in all, and ten of the eleven national agreements, were concluded after a strike.

§ BARGAINING IN NORWAY

COMPARED with British and French collective bargaining, the Norwegian system is highly centralized. In principle, at least, there is a central bargaining agency which creates a framework and sets the tone for supplementary bargains. In

a sense it could be said that wages are determined by an agreement between the Federation of Trade Unions and the Employers' Association. In contrast with French collective bargaining, Norway can look back upon a long and, apart from World War II, uninterrupted evolution of collective bargaining relations. Unlike the British, Norwegian unions and employers have accepted a considerable amount of government intervention in the bargaining relationship.

The two basic historical facts are the high degree of centralized authority which the Federation of Trade Unions enjoys, and the close cooperation between the trade unions and the Labor Party which has been the government of the country since 1935. The peculiar structure of Norwegian trade unionism is said to be the result of the fact

> that in the early days of the trade union movement, at the beginning of this century, leadership devolved strongly on the Federation of Trade Unions . . . as only in this way could the scattered individual trade union organizations of that period bring their influence to bear. The Federation thus gained an ascendance which it has never lost, and its authority over the unions affiliated to it, has since grown rather than diminished.[10]

At the head of the Federation is a Secretariat consisting of full-time elected officials and a number of part-time members representing affiliated unions. It is the Secretariat which, in behalf of the Federation, gives advice, assistance and leadership to the affiliated unions. No less centralized is the Employers' Association which has—according to Inman—"if anything greater authority over its affiliated associations for individual industries than has the Federation over its affiliated unions."

The close cooperation between the unions and the govern-

10. L. Inman, "Post-War Wages Policy in Norway," *Bulletin, Institute of Statistics*, Oxford, Vol. 12, Nos. 7/8, July/August, 1950, p. 195. This and Walter Galenson, *Labor in Norway*, Cambridge, Mass., 1950, are the main sources used.

ment is assured by the fact that all leading members of the trade unions are members of the government Labor Party. A joint committee of unions and party exists to provide a mechanism for their cooperation. The chairmen of both organizations are members of the Committee. A trade union membership of 450,000 (compared with 114,000 in 1929, and 356,000 in 1939) represents one of the highest degrees of unionization in the Western world. As a result of gradual reorganization since 1923, most of the organizations are industrial unions.

For many years, it has been customary for individual unions to consult with the Secretariat of the Federation on policies regarding wages, working conditions, disputes, and other important issues. Moreover, whenever a conflict seemed likely to involve other unions, or if a union wanted support from the Federation, the union had to obtain the prior approval of the Federation for its policies; the Secretariat was entitled to take over the negotiations in consultation with the interested unions. Although the individual unions have strike funds, those of the Federation are important enough to make its support extremely valuable for the unions. This measure of centralism was by no means restricted to Norway. A very similar arrangement existed in Sweden.[11]

On the employers' side, negotiations as a rule were carried on either by the Central Executive itself or, at least, with its consent. In any case, employer dealings with the union Federation had to pass through the Central Executive which had the power to levy fines on members, or to give financial support to factory maintenance expenses, in the case of a conflict.

As a result all important negotiations were, in fact, carried on between the Federation and the Association. Col-

11. Cf. *National Patterns of Union Behavior, op. cit.*, pp. 517, 520, and the literature listed.

lective agreements were often extended to firms not covered by the agreement. Labor Courts were empowered to give binding interpretations of agreements. Under this system union-management relations, which were stormy up to 1935, developed into mainly peaceful cooperation since that date.

Centralization has even further progressed in the last few years, or, more correctly, the statutes of the Federation have been adapted to what had become the practice. In 1949, changes of the statutes were adopted under which "no union can put forward claims for a new agreement, terminate an existing agreement, or enter upon a strike, without the prior approval of the Secretariat. . . . If negotiations which are carried on by the union concerned do not lead to a settlement, the Secretariat may take over their conduct."[12]

Postwar legislation to meet the emergency of reconstruction has further strengthened the centralistic tendencies. In 1944, upon liberation, compulsory wages boards were established on the basis of an agreement between the Federation and the Association, to set wages and, later, working conditions as well. All demands of affiliated organizations had to pass through the two central bodies. Until June, 1946, all collective agreements were binding upon nonmembers as well. After a short wages stop in 1947, the legislation of 1944 was amended in such a way as to prevent nonaffiliated unions and employers from terminating collective agreements without government permission, while the control of Federation and Association over their affiliates was given legal backing. When in February, 1949, wage controls were reduced, compulsory arbitration was retained for changes in wages and working conditions, not or only partly approved by the Federation and the Association.

It follows that the two central organizations retain full

---

12. Inman, *op. cit.*, p. 198.

control over collective bargaining; compulsory arbitration supplements these powers for those cases where affiliates violate discipline or for unaffiliated organizations. With the support of legislation, centralized collective bargaining has reached its apex.

§ BARGAINING UNDER FULL EMPLOYMENT

IN THE POSTWAR era the non-Communist labor movement in Europe has developed a program in which the main planks are full employment, the nationalization of certain parts of industry, and perhaps "fair shares for all"—which means principally the use of fiscal policies to achieve a more egalitarian distribution of the national income, and a reduction of wage differentials by a raise of low rates of earnings. How has collective bargaining been affected by full employment? Since French experience with free collective bargaining in the postwar era is of very recent date, the record of British and Norwegian collective wage determination may serve as our main source of information.

The problem itself is well known. When unemployment drops below a certain critical level, employers' resistance to wage increases tends to weaken while at the same time the bargaining power of the unions and even of single workers increases. Indeed in many cases the employers themselves offer higher wage rates in order to attract workers and expand their production. The market for output is such as to enable employers to transfer increased costs without great difficulty to the consumer. In other words: the situation is favorable to generalized wage increases, followed or accompanied by corresponding price rises. Full employment threatens to bring about a continual trend toward inflation.

This is essentially a problem of any consistent full employment policy. Under the conditions of Europe after the war the issue has appeared primarily as a problem of the balance of payments. If inflationary wage and price tendencies are allowed to develop, the countries of Europe will endanger their exports and will thus be unable to buy the imports of raw materials, equipment, and food without which they cannot reconstruct their war-ravaged industries. The standard of living will decline and unemployment become inevitable. What is likely to be a permanent issue was thus presented—particularly by the governments—as part and parcel of the greater postwar emergency.

In Great Britain, the effort to stabilize earnings, after the war, was at first simply a continuation of the same policy initiated in 1940. At that time this policy depended upon two main factors: the pegging of the cost-of-living index—which was subject to serious technical criticism—by a combination of food subsidies, rationing, and price controls and the acceptance by the unions of compulsory arbitration. Until the latter part of 1947 this policy proved reasonably successful, but then it became increasingly difficult to restrain the unions from taking advantage of the favorable labor market. The war emergency was clearly over and a new cost-of-living index called *Interim Index of Retail Prices* indicated a rise of the cost of living from 101 to 108 points during the period from October, 1947, to April, 1948. Moreover, in order to attract labor into the "undermanned industries" such as coal mining whose output was vital for the country, wage increases had to be granted in these industries, and this fact stimulated wage demands elsewhere.

Early in 1948—on February 4—the Labour Government, therefore, made a new move by issuing a White Paper on "Personal Incomes, Costs and Prices," apparently without prior consultation with the unions. This fact was greatly

resented by the General Council of the TUC. Nevertheless, after negotiations with the Government, the General Council approved a recommendation which included an "endorsement of the policy of general stabilization as set forth in the White Paper," the "acceptance of the principles which this statement proposes should be applied to wage claims at the present time, on condition that the Government pursues vigorously and firmly a policy designed not only to stabilize but to reduce profits and prices."[13] A Conference of Trade Union Executive Committees which met on March 24 adopted these recommendations by 5.4 million against 2 million votes.

Actually, the union endorsement and the policy of the White Paper did not quite coincide. The White Paper did not aim at a general "wage freeze," but set down the principle that each claim be judged on its national merit, clearly rejecting wage demands based merely upon the desire to maintain historical wage-relationships. In fact, however, the White Paper gave only one example of wage demands that could be justified by the national interest, namely, the need to provide additional labor for undermanned industries. The TUC recommendations adopted by the Conference in March went beyond this. The resolution adopted stated that

> relating to wage movements the principles of the White Paper are acceptable to the Trade Union Movement to the extent that they:—
> (a) recognise the necessity of retaining unimpaired the system of collective bargaining and free negotiation;
> (b) admit the justification for claims for increased wages where those claims are based upon the fact of increased output;
> (c) admit the necessity of adjusting the wages of workers whose incomes are below a reasonable standard of subsistence;

13. *General Council's Report to the Eightieth Annual Congress*, p. 209. See also, Jean Trepp McKelvey, "Trade Union Wage Policy in Postwar Britain," *Industrial and Labor Relations Review*, Vol. 6, No. 1, Oct. 1952.

(d) affirm that it is in the national interest to establish standards of wages and conditions in under-manned essential industries in order to attract sufficient manpower; and

(e) recognise the need to safeguard those wage differentials which are an essential element in the wages structure of many important industries and are required to sustain those standards of craftsmanship, training and experience that contribute directly to industrial efficiency and higher productivity.

Of these (a) and (d) were indeed in line with the White Paper and (b) could be said to correspond to the spirit of the Government's policy; but (c) and (e) were clearly additions that went beyond the Government's intentions.[14] For the time being these differences did not seem to matter very much. On the whole, the new effort to prevent inflationary wage increases was not without success. The rise of wage rates was slowed up considerably. In the nine months preceding March 1948 the official index of wage rates for all workers increased by five points. In the following eighteen months it gained only four points. Similarly, average weekly earnings which had risen 10 percent between April 1947 and April 1948 showed an increase of only 5 percent during the following twelve months. Since the cost of living rose somewhat during the same period, average real wages tended to decline and average real earnings slightly to rise.[15]

This was indeed a considerable success, the more so as sectional competitive collective bargaining continued and

in matters of wage determination the powers of the Trades Union Congress are limited. The General Council do, indeed, survey the general economic position and make recommendations for the guidance of Unions. But within each industry it is the

14. Cf. Allan Flanders, "Wages Policy and Full Employment in Britain," *Bulletin, Oxford Institute of Statistics*, Vol. 12, Nos. 7/8, p. 233.

15. Allan Flanders, "A Policy for Wages," *Fabian Tract*, No. 281, pp. 4, 5.

responsibility of the Unions concerned to assess the position and to take appropriate action.[16]

But when the General Council proposed that this policy be continued—

no . . . alternative proposals have withstood the General Council's examination

—the Trades Union Congress of 1949 manifested a good deal of dissatisfaction. Once again, it is true, the General Council's policy obtained a strong majority vote: 6.5 million against 1 million. But the trend of the debates at the Congress greatly reduced the value of this vote.

The time was mainly taken up by the representative of one union after another—including several members of the General Council—establishing an alibi for the wage increases claimed by their own organization.[17]

The devaluation of the British currency on September 18, 1949, added further impetus to the breakdown of the General Council's policy. The latter proposed to the affiliated unions "to reconsider existing wage claims and sliding-scale arrangements with a view to holding agreed wage rates stable whilst the Interim Index of Retail Prices remains between upper and lower limits of 118 and 106" until January 1, 1951. Then the entire policy should be reviewed.

This proposal, too, was approved by a conference of Trade Union Executives on January 12, 1950; but the majority—4.5 million votes for, 3.6 million against—was so small that the policy could not be effectively implemented. Moreover, many unions which had cost-of-living escalator clauses—"sliding scales" in English parlance—in their contracts stated openly that they were not willing to forego the advantages that their members might derive from these clauses. In addi-

16. *Trades Union Congress Report, 1949,* p. 548.
17. Flanders, *A Policy for Wages,* p. 9.

tion, the war years and the first postwar period had been accompanied by a wage levelling process which reduced wage differentials among the various occupations as well as those between various degrees of skill. The wage rates set by the Wage Boards, i.e., in general those of the lowest paid occupations, had risen most. As a result, as the General Council stated in June 1950, "there has certainly been a growth of discontent felt by skilled and semiskilled workers . . . which has all along been a real and complicating factor in the General Council's consideration of wages policy." Finally, the improvement of the British balance of payments, the relaxation of rationing and other controls and, later, the end of Marshall Plan assistance to Britain gave the workers the impression that the need for restraint was, at the least, greatly reduced.

The General Council bowed to the inevitable by stating, at the end of June, 1950, "that there must be greater flexibility of wage movements in the future. . . ." The application of this principle "must be left to the good sense and reasonableness which have been displayed by unions, particularly in the postwar period, and with full account being taken of the continued warning of the General Council that our basic difficulties still remain, even if temporarily lessened in their intensity." Thus, a new phase of British wage policy began.

An over-all picture of the record may be obtained from a few figures. The Index of wage rates (1938=100) shows a figure of 193½ for 1949, with the main increases during the years 1939-1942 and 1945-1948; average earnings rose during the same period by 129 percent; the cost of living by 78 percent. Wage rates—not earnings—fell behind the cost of living during the war, but forged ahead after the end of hostilities. Whether it makes sense to compare this record with that of the United States is doubtful. Still, for the sake of mechanical comparison it might be pointed out that the

cost-of-living index for 1949 in the United States was 69.1 percent above the 1935-1939 average, while average weekly earnings in manufacturing industries showed an increase of 130.2 percent. The relevant figures are thus: for average earnings—129 percent in Britain, 130.2 percent in the United States; for the cost of living—78 percent in Britain, 69.1 percent in the United States. Between 1948 and 1950, the cost-of-living figures in both countries showed an increase of about the same order of magnitude. Purely arithmetically British "restraint" has not been much more successful than United States lack of restraint, but inflationary pressures were for a number of obvious reasons far greater in Britain than in the United States.

Basically similar was the problem in Norway. The trend toward a more egalitarian wage policy by raising the level of the lowest-paid occupations was perhaps even more pronounced than in Britain, although "unofficial" increases have been given to workers in higher-paid industries. Moreover, flat cost-of-living increases tended to reduce also wage differentials within the same industry. One such increase was granted under an agreement of January, 1940. Shortly afterwards the German occupation authorities enacted a general wage stop. Upon liberation further flat increases were granted. The wage restraint agreement concluded by the Trade Union Federation in 1946, and extended for another year in 1948, specifically exempted the lowest-paid industries and the low-paid workers in general. Indeed the workers in agriculture and forestry—one of the lowest-paid occupations—received increases every year between 1945 and 1949.

Most agreements were concluded by the Federation, though some important awards were made by the Wages Board, particularly those for the low-paid workers.

The main result of the policy may be gathered from the fact that the cost-of-living index has remained stable during

most of the postwar years until 1950, while real wages have risen. But most of the rise of the cost of living had occurred before the liberation of the country: from 105 in 1939 to 160 in 1945. From then on to 1949 the increase was insignificant: the index for 1949 was at 164. During 1950, however, a further considerable increase occurred. The index of wholesale prices (1938=100) had reached the level of 169 in 1946. From there it increased to 184 in 1949. The rise between 1946 and 1949 was thus only 10 percent, most of which may well be ascribed to the increase in import prices and was outside of Norwegian control. On the other hand, it must be taken into account that subsidies on the main foodstuffs and feeding stuffs have prevented a rise in the cost of living which in 1948 was estimated as a potential 38 points or 24 percent.

According to a Norwegian judgment, wages policy has helped to maintain relatively stable prices, partly by way of the leadership of the Federation. The affiliated unions, it is said, "are discouraged from using their full strength to raise the general standard of their own members irrespective of the position of other groups of workers.[18] The effectiveness of price controls may have contributed a good deal to this result.

It would seem, therefore, that a highly centralized system of collective bargaining offers better opportunities than sectional collective bargaining to prevent inflationary wage movements under full employment. Paradoxically, that very same system opens up also greater possibilities to bring about inflation. The solution of the paradox is that administrative and economic factors operate in opposite directions.

Administratively, control of collective bargaining by a small group of leaders—removed from the rank and file by

18. Inman, op. cit., p. 213.

several layers of union hierarchy—makes for greater restraint in wage demands, if such is the policy of the leaders, and for more thorough consideration of the total economic and social effects of specific wage demands. However, the power of a highly centralized trade union federation to obtain increases of wage rates is greater than that of any single union; in terms of economic theory, the elasticity of demand for labor is less, the greater the volume of labor involved in the bargain.

Whether, under what conditions, and for how long unions can be expected to engage in a policy of self-imposed wage restraint, are open questions. Clearly, political considerations enter to a substantial extent. Thus both in Great Britain and Norway, labor governments were in office during the period under review. This fact had tremendous influence upon union policy. On the other hand, experience tends to show that, at least in the short run, full employment is accompanied by large profits. This undoubtedly makes it more difficult for union leaders to recommend to their members, and obtain approval for, restraint in wage demands. Moreover, it is not quite clear how unions can be expected to function under long-run full employment, if they are supposed to act as brakes upon wage demands rather than as instruments for the workers to obtain wage increases. Wage restraint can hardly become a permanent function of free trade unions.

It is worth pointing out, moreover, that in the absence of unions wage rates would also tend to rise under full employment. It is not the presence of unions in the wage bargain, but full employment or, more precisely, the expectation that full employment will be maintained regardless of wage and price rises, that makes for inflationary development.[19] It is not even clear whether unions speed up this process by

---

19. Cf. Walter A. Morton, "Trade Unionism, Full Employment and Inflation," *American Economic Review*, Vol. 40 (1950).

using their greater bargaining power or tend to delay it—by accepting long term wage commitments. The key to the solution of the problem of price stability may very well not be in collective bargaining, but in the fiscal and credit policies that make for inflationary developments.

CHAPTER IX *Unions and Nationalization*[1]

NEXT to full employment, the nationalization of industries has become one of the main practical objectives of European labor since the end of the war. It is, of course, not an entirely new problem; nationalized industries have existed in various European countries for a number of years, in France since mercantilistic days. The German railroads have been nationalized practically since they came into being, while in Britain the Port of London, broadcasting, and in some measure the transmission of electrical energy had been nationalized long before World War II. But the progress of nationalization since 1945 and the new spirit in which it was undertaken have tended to make the role of unions in such industries a problem of significance for the entire movement.

Nationalization of industry has long been one of the main points in the Socialist program. A syndicalist slogan—which perhaps should not be described as nationalization at all—demanding the control of industry by its workers was put forward by some British unions, particularly the miners and the railwaymen, about the time of World War I. French, German, and Austrian labor defined their attitude in favor of nationalization shortly afterwards. Little or no action,

1. Cf. on this Adolf Sturmthal, "Nationalization and Workers' Control in Britain and France," *Journal of Political Economy*, Vol. LXI, No. 1, Feb. 1953; also, Adolf Sturmthal, "The Structure of Nationalized Enterprises in France," *Political Science Quarterly*, Vol. LXVII, No. 3, Sept. 1952.

however, followed these programmatic developments. The main impetus for nationalization in Western Europe came after World War II.

The main driving force was undoubtedly the increased strength with which labor everywhere emerged out of the defeat of Hitlerite Germany. The victory of the British Labour Party, the advent of Socialists and Communists to power in France and Italy, the return of the Scandinavian labor governments were the outward expressions of this trend. In a number of countries, particularly France, the real or alleged "collaboration" of big business with the Nazi occupation authorities provided additional reasons for the transfer of business property to the State. The support which some business groups had given to native Fascist organizations before the outbreak of the war was regarded even by many people outside the ranks of labor and socialism as evidence of business attempts to interfere with the democratic processes. The nationalization of industry would prevent, it was believed, further pressures of organized business interests upon the democratically elected government of the country. Moreover, wartime controls of the economy, most of which had to be continued into the first postwar years, effectively prepared the ground for nationalization. To progress from a strictly controlled industry to its nationalization was only a minor step and one that many people believed in the logic of things. Last, but not least, only the State with its powers seemed capable of reorganizing industry after its deterioration during the war, and of providing the huge investment funds required.

As a consequence, a number of substantial nationalization measures were taken in Western Europe, particularly in Great Britain and France, after World War II. To the Port of London and the B.B.C., the British Labour Government added coal, transport, electricity, gas, cable and wireless and, finally,

steel. In France nationalization was applied to coal, electricity and gas, a number of banks and insurance companies, some smaller industries and a number of individual enterprises—such as the Renault automobile factory, whose main owner and manager had been accused of collaboration with the enemy during the German occupation.

§ BRITISH UNION POLICY

WHEN SHORTLY before World War I the miners and the railwaymen adopted syndicalist views they were clearly at variance with Labour Party policy. For the Party introduced—purely for propaganda purposes—a number of nationalization bills in Parliament which were conceived somewhat along the lines of the Post Office. While the miners' union spread the slogan—"The mines for the Miners!"—the Labour Party bills provided for the administration of nationalized industries "by a minister and his department, tempered by clauses permitting operation by local authorities, or leasing to the previous operators."[2] Since no practical consequences followed from either union propaganda or Labour Party bills, this divergence had no serious effects. A kind of a provisional compromise was found in 1918 when the new Labour Party program "Labour and the New Social Order" and the accompanying resolutions spoke of a "steadily increasing participation of the workers" in the management of nationalized industries. This was an effort to reconcile the "efficiency" objectives of the Fabians—Sidney Webb was the main author of the new program—with the Guild-Socialist tendencies of the unions.

Guild socialism in Britain had found its most outstanding

2. H. A. Clegg, *Labour Relations in London Transport.* Oxford, 1950, p. 4.

advocate in G. D. H. Cole whose thinking was influenced by French syndicalism and the ideas of industrial unionism propagated by the American I.W.W. Cole's book *The World of Labour*, first published in 1913 and reprinted a number of times, exerted a good deal of influence not only in Britain, but also elsewhere, primarily, as we shall see, by way of the writings of the Austrian Socialist leader, Otto Bauer. However, though influenced by the syndicalists, the Guild Socialists rejected outright and full control of industry by its workers by adding that "the community as a whole must always reserve an ultimate power to override" the producers' will.[3] As against the collectivists and particularly the Fabians, the Guild Socialists opposed state administration of industry. This, they feared, would give the government too much power, nor would it enable the worker to express his own personality in his work. Industry, therefore, should be managed jointly by the State and the trade unions. Output was to be determined by the community as a whole, but the actual work process to be administered by the unions. This would, of course, require a transformation of the unions from a fighting to an administrative organization. What this meant, in the miners' view at least, could be inferred from their demand addressed to a Royal Commission on the Coal Mines under Sir John Sankey after World War I that a majority of the seats in the District Councils which were to run the mines under a coordinating body be given to the miners.

Nothing came of this proposal or of the Commission in general. But the miners' attitude at that time will explain the protest with which many unionists received the "London Passenger Transport Bill" worked out by Herbert Morrison during the life of the second Labour Government. For the

---

3. Cole, *The World of Labour*. London, 1913, p. 367.

bill did not provide for workers' representation on the board. Its members were to be selected solely on the grounds of competency. In the discussions that followed Ernest Bevin, then leader of the Transport Workers, was Morrison's main opponent. The solution—for the time being—was in appearance, far more than in fact, a victory for Guild socialism: the unions were to have representation on the boards—but the union officers selected would have to resign their union office upon appointment and would be responsible only to the Minister. Their number was not determined, but a proposal to give workers' nominees half of the board membership was turned down by a narrow majority at the Trade Union Congress of 1933.

Once, again, this was a somewhat academic decision. The Labour Government had resigned before the London Transport Bill was passed and from then on until 1940 Labour was in the opposition. In 1944, the Trades Union Congress published its *Interim Report on Post-War Reconstruction* which clearly pointed out the fact that Morrison had won out over the Guild Socialists. According to the program, nationalized industries were to be administered by boards appointed by a Minister and responsible to him. The board members were to be selected on the basis of competence, but experience gained in the organization of workers should be one of the desired qualifications. "In the interest of the efficiency of the industry itself" experienced trade unionists should be included among the board members. The TUC, after consulting the appropriate unions, would submit to the Minister a list of candidates. Upon appointment to the board, the trade unionist "should surrender any position held in, or any formal responsibility to, the Trade Union." Thus the "viewpoint" of the workers, but not the workers themselves were to be represented—a formula widely at variance with the Guild Socialist idea of "workers' control." Instead, an elab-

orate system of consultation on all levels of the nationalized industry between its management and the workers was provided for.

The reasons given for this policy were threefold: To be effective in representing the interests of their members, trade unions must retain complete independence from management; trade unionists who maintained their union status while on the board would be in an ambiguous position with divided loyalties toward their constituents and the minister; Parliament, as representative of the entire nation, must have ultimate control over the property of the nation.

The confusion of the issue at this stage was indicated by the facts that this policy was adopted without any lengthy debate and that the Labour Party Conference which followed, as well as the Party's detailed nationalization proposals on coal, power, and transport published the same year continued to refer to workers' participation in the management of nationalized enterprises. But "Let Us Face the Future," the election manifesto of 1945, no longer did so, and at the Party Conference in May, Emanuel Shinwell, speaking for the Party Executive, declared that "the form of participation" of the workers in the management of industry was "a matter that has to be worked out."[4] But there could be little doubt that Fabianism had carried the day over Guild socialism. Even G. D. H. Cole has come to declare that while "the Guild solution is the best in the long run," it would not work satisfactorily at this stage. For

> the Guild method implies the existence among all those who work in the industry, from administrators and managers to unskilled workers at the pithead, or at any rate among those of them who have most influence among their fellows, of an attitude of responsible acceptance of the obligation to put the

4. Forty-third and Forty-fourth Annual Conference of the Labour Party, London, 1944 and 1945.

public interest in the first place. Such an attitude can be expected in any high degree only in a society permeated by the spirit of justice and equality, set free from class conflict, and conscious that rights and duties go together and that the obligation of service is the correlative of freedom. Moreover, such an attitude cannot in the nature of things come into existence suddenly. Men are creatures of habit; and neither among managers nor among workers can the habits of mind established under capitalism be suddenly transcended as soon as an industry passes from private to public ownership. The industrial relations characteristic of capitalist society are bound to leave an evil legacy behind. . . .[5]

§ POLICY ON THE CONTINENT

THE DECISIVE discussion on the Continent occurred right after World War I. The most important publication was a series of articles by Otto Bauer in the Viennese Socialist paper, *Arbeiter Zeitung*, which was also published as a pamphlet under the title "Der Weg zum Sozialismus" (The Road to Socialism). Bauer's starting point was similar to that of the Guild Socialists; pure State administration would be dangerous for democracy and inefficient. He proposed instead a "tripartite formula": one third of the board membership to be elected each by the workers, the consumers, and the state. Consumers' and workers' representatives will defend opposite viewpoints; the representatives of the state will be mediators and arbitrators between them. In his book *The Austrian Revolution*,[6] Bauer ascribed the origin of his proposals partly to Cole and partly to the lessons he derived from the Russian Revolution.

Bauer's proposal for the organization of nationalized indus-

5. G. D. H. Cole, *The National Coal Board*. Revised ed., London, 1949, pp. 10-11.

6. London, 1925, p. 146-147.

try was embodied in the Austrian laws on socialization of 1919 and in the German proposal on the coal mines. When the French CGT proceeded in 1919 and 1920 to develop its nationalization program, it dropped the traditional syndicalist formula in favor of Bauer's tripartite organization which Léon Jouhaux defended. This system was given the name of "industrialized nationalization."

A report of the French Miners Federation of 1920 summarized the ideas of the movement on this issue.

> The organization of the industries to be nationalized must be found by examining all the social interests involved.
>
> To ask for the control by the producers requires that they include not only the manual workers, but also the technicians. The functioning of the industry, the factory, the workshop cannot be achieved except by their cooperation which must ensure not only the continuity of the service, but also its development.
>
> This is where the participation of the consumer arises.
>
> Their interest is to obtain at the most favorable conditions a sufficient quantity of acceptable products or services. The conditions under which they are fabricated, extracted or rendered, may modify the quantity, the quality, the adequateness, the exchange value. It is the intimate cooperation of these two elements, producers-consumers, which must thus be called upon to dominate and control the activity of the industry; this cooperation alone will, moreover, make it possible to remedy the waste and contradictions of the present system.
>
> In this new system, in which form will the collectivity itself intervene? The systems which we have rejected all gave the state a preponderant role; we have shown that its intervention far from resolving all the problems of collective operation, creates on the contrary grave difficulties. This is a serious problem with which we cannot deal here in the length which it requires. Let us limit ourselves to the statement that the collectivity should have its place in the direction of the nationalized enterprises, because a permanent tie must be established among all the functions of social life, industrial activity must be completely adjusted to the needs of the individuals and a possibility of arbitration must be foreseen between the two first groups of

interest. But at the same time let us proclaim the need of excluding from the administration of these essential industries the state as authority, political influence, bureaucratic irresponsibility and submission to budgetary needs.

Under these circumstances, one solution only is possible; it is, incidentally, the only one which corresponds to the needs of a good administration; it is to form autonomous organs for every industry in which will take part at the same time the organizations of producers and consumers, as well as the collectivity itself.[7]

These principles have remained unchanged ever since and were applied, though with many variations in detail, when France enacted its nationalization laws after World War II. The boards of the nationalized enterprises have, though not consistently, the tripartite composition which Bauer advocated.

In Germany, however, a new development occurred. In the name of "codetermination" the German unions demanded that the boards of all enterprises—public or private—be composed of 50 percent of workers' delegates who jointly with the other half of the board would elect one member—presumably acting as a kind of umpire. For the time being this system is being applied to coal and steel only, but it is the intention of the German unions to extend it throughout industry in general.

In principle this system has been in existence in four fifths of the German steel industry—the twenty-four so-called decartelized enterprises—since 1947 under regulations established by the allies.

The reason given by the unions for this measure of what in German labor parlance is called "economic democracy" are summarized in a document issued by the Executive Com-

---

7. Rapport sur la Nationalization des Mines, *Fédération Nationale des Travailleurs du Sous-Sol,* par Casimir Bartuel, Secrétaire Général de la Fédération.

mittee of the German Trade Union Confederation in May, 1950.

The assertion is certainly not mistaken that the political upheaval of 1933 would not have occurred if political democracy had been bolstered by genuine economic democracy . . . contrary to conditions in America which are often cited in current discussion. It is not the principle of democracy and self-government which has prevailed in our country but the principle of domination which can be explained historically and forms a burden which weighs on labor-management relations. This has to be taken into consideration in order to understand the resistance which has consistently been opposed to the demands of labor. Concessions were made only when profound disturbances like the two world wars threatened to destroy completely the social order and property rights; however, the old reactionary attitudes emerged again soon afterwards.

The trade union demand for codetermination of the wage-earners and their organization is the necessary complement of our political democracy. We should avoid reconstructing a régime under which our public life is organized according to the principle of modern democracy while the ecomonic order remains governed by an enlightened absolutism. . . .

It is necessary to see clearly that codetermination by labor is the cornerstone of a reorganization of society characterized by the absolute equality of rights of capital and labor.

The detailed arrangement—which applies to about 90 percent of iron and steel, all coal and iron ore mining—provides for the shareholders in each enterprise to appoint four members of the board from among themselves, who in turn select one more member; the workers appoint two members representing the workers and white-collar staff, while the national union appoints three members. One of the five directors in both groups must be an independent person, not connected with either the firm or the union. These ten then elect the eleventh member by an exceedingly cumbersome procedure involving the courts, if no agreement can be reached, or finally the stockholder's assembly. The struggle

for the "eleventh man"—who holds a key position—is likely to involve complicated compromises.[8] This board appoints the three managing directors, one of whom must be a "labor director" dealing with personnel matters. All directors must be appointed by a two-third majority of the board.

Codetermination is, in the view of the German unions, a universal policy to be applied to public as well as to private enterprise. It is thus not a substitute for nationalization of industry, although quite possibly the struggle for codetermination may have had the incidental effect of pushing the idea of nationalization somewhat into the background.

Strictly speaking, therefore, German codetermination does not come under the heading of this chapter which is devoted to the nationalization of industry. The German union drive was no direct attack upon the institution of private property in industry. But codetermination shares with nationalization the desire to transfer control of industrial property partly or wholly from the owners to other groups and to give the workers a new status in industry. To some extent, these are objectives—stated or implied—of all unions; directly or indirectly, consciously or not, unions everywhere are striving to restrict management rights. German codetermination thus represents a new form of expression rather than a new objective of union action. Undeniably, however, this new form creates a large number of new problems.

§ BARGAINING IN NATIONALIZED ENTERPRISES

TWO MAIN patterns of nationalization have emerged: the British and the French. The first does not include the unions

8. See William M. McPherson, "Codetermination: Germany's Move Toward a New Economy," *Industrial and Labor Relations Review*, Vol. 5, No. 1, October 1951.

as such in the management of the nationalized enterprises, the second makes them an essential part of management. Hence, the status of the unions in the two systems is different and from this follow differences in the way in which wages and working conditions are determined.

In principle, the British system is simple. The boards of the nationalized enterprises are employers with whom the unions engage in collective bargaining, very much as they do in their relations with private enterprise. Apart from this bargaining relationship, there exists a system of consultation between management at different levels of authority, and the workers. In principle, though not always in practice, the two are to be kept apart. For the basis of union power is its traditional function of collective bargaining which must not be sacrificed to the new tasks which the union has assumed by consulting with management on the improvement of efficiency. A research group of the Fabian Society stated the reasoning behind this as follows:

> One reason for this is that the return of a government hostile to the movement may at any time require it to put forth all its power to resist repressive legislation . . . or to uphold working class standards; and even with a friendly government in office, the trade unions cannot afford to throw away their weapons of defense. Besides this, in any form of society, and under any forms of management, workers will need trade unions to look after their interests not only in relation to their employers, but also in relation to the government departments and officials, and before the courts.[9]

It is at this point that British labor's effort to avoid any totalitarian control manifests itself most clearly.

With regard to collective bargaining, therefore, nationalization has introduced few changes. It is true that the duty of the boards to enter into negotiations with the competent

9. Hugh Clegg, *Labour in Nationalized Industry*. Interim Report of a Fabian Research Group. Fabian Research Series 141, London, 1950, pp. 9-10.

unions[10] is set down in the laws establishing the various nationalized industries. But in practically all of them collective bargaining was an accepted practice long before nationalization. Indeed the previously existing bargaining machinery has in most cases been adopted by the boards, although the change of the structure of the industry did involve a corresponding adaption of bargaining. Thus the new centralized control of labor relations in coal mining or electricity has led to more uniform wages and working conditions throughout the industry. Generally this involved "levelling-up," but occasionally some groups lost particular advantages and this fact has been the cause of a few conflicts. Undoubtedly wage negotiations in the nationalized industries had a more than normal significance. Nationalization was expected to produce better labor relations and every conflict was, therefore, a subject of national and sometimes international interest. Since, as we have seen, the British government was sponsoring a policy of wage stabilization, wage bargains in the nationalized industries were watched with particular care as signposts of the success or failure of government policy. Admittedly, however, coal mining as a formerly depressed and undermanned industry was entitled to wage concessions that could not necessarily be interpreted as a weakening of the government's stand.

In the field of consultation, developments were slow. The machinery had first to be set up in a number of cases, but —more important—the personnel involved on both sides had to be gradually accustomed to the new relationship and duties. Typical complaints referred precisely to the fact that the personnel on the industry side had not changed, was unwilling to engage in real and sincere consultation, and that prior notification often took the place of a frank give-and-

10. The terms used, e.g., in the Coal Nationalization Act, are: "with organizations appearing to them to represent substantial proportions of the persons in the employment of the Board, or of any class of such persons."

take. In practice it also developed that the distinction between negotiation and consultation could not always easily be maintained. On many issues consultation may prepare the way for later negotiation. Thus a discussion on the best methods of training apprentices may produce issues about which the union may wish to bargain at the next opportunity. Moreover, the workers' representatives on joint consultative committees have been accused of having misused consultation for bargaining purposes.

Strictly speaking, French experience with collective bargaining in nationalized industries is too brief to warrant any conclusions to be drawn from the record. Until February, 1950, as will be remembered, wages in nationalized industries as in all others were set by the government under the law and even though bargaining was permitted on working conditions little resulted from this authorization.

Under the law of 1950, free collective bargaining on wages and working conditions has been allowed. However, the new law has only limited application to the nationalized enterprises. Under a decree of June 1, 1950, the main monopolistic public enterprises are exempted from collective bargaining. Their wages and working conditions will continue to be set by law or decree. Under this heading come coal, electricity, gas, railroads, Air France, Banque de France. The others including the commercial banks and insurance companies—not all of which have been nationalized—come under the agreements covering their industries. Different procedures thus apply to these two groups of public enterprises.

For the first group whose wages and working conditions are determined by law or decree, bargaining is of necessity a process involving the government. Clearly, the boards cannot grant any concessions unless the government of the day is willing to see them enacted as law by Parliament—whose majority must be controlled by the government—or by decree,

i.e., by the government itself. Although the principle of setting wages and working conditions by a legislative act—so-called *Statut*—is by no means new in France, the difficulties of collective bargaining between a union and the government are obvious. It is true that in theory it is the board and the Director-General who are negotiating. But no one can be deceived over the actual control exerted by the government. To make government supervision fully effective a law enacted in February, 1946, provides that all decrees dealing with the wages of the employees of nationalized enterprises subject to a *Statut*, must be signed by the Minister of Finance. This law was rendered necessary by the fact that advantages granted to workers in one public enterprise tended to spread to others as well. Moreover, the wage policy of the public enterprises as a whole formed a "pattern," American style, which either corresponded to the wage policy of the employers' association or which private enterprise was compelled to take into account. Individual decisions thus involved the entire wage and price level of the country. These connections became evident when in the wage movements following the adoption of the law of February 11, 1950, the government issued instructions to the nationalized enterprises limiting the wage concessions to be made. These corresponded to the wage increase the private employers' association was willing to grant. As far as working conditions are concerned, the *Statuts* themselves provide a mechanism of change in so far as the changes are to be made within the framework of the *Statut*. Changes of the *Statut*, on the other hand, would again require the approval of the government either by way of decree or in the form of a law to be adopted by Parliament.

Conflicts in the nationalized industries inevitably take on a political character. The unions are in fact trying to impose their will upon the government of the country. Since the

leading union is the Communist-dominated CGT it is likely that wage movements will be considered as an opportunity for the Communist Party to further its political policies. Strikes in nationalized enterprises are, therefore, not at all infrequent. Indeed since the Communists left the government the nationalized enterprises have served as one of the main battlegrounds for the struggle between the Communist Party and the government coalition. Collective bargaining is thus likely to be the victim of political passion.

But even in the industries not endowed with a *Statut,* nationalization is likely to involve the government in collective bargaining. Within the employers group—say of the banks—the management of the nationalized enterprises which are the largest banks of France, will inevitably play a significant part. Under the law the boards are the management. But it is difficult to see how they can in fact bargain. Not only are the board members part-time and practically unpaid but among them are union members, owing to the tripartite structure of the boards. In fact, therefore, it is the Director-General who carries on the negotiations. But he is under the orders of the Minister to whom he is bound to refer in matters of great significance. Thus the government will be involved in the negotiations in these enterprises as well.

Moreover, experience so far has tended to show that the movements of the general wage level follow rather closely that of the interoccupational minimum wage ("minimum vital") set by the government upon the advice of a committee on which the unions are represented. This close correspondence between minimum wage and the entire wage structure is an expression of the generally low level of wages in France, and of the weakness of the unions. As a result, the struggle over the setting of the minimum wage becomes the center of "collective bargaining" in a very peculiar meaning of the term.

The law provides that the committee—but not necessarily the government which has the last word—take into account a typical family budget of a worker in Paris. Since there is no clear scientific way of determining the items that ought to be included in the budget, nor their relative importance (weight in the total), the discussion of the budget is in fact a process of bargaining. The committee's recommendation, moreover, is just a recommendation and the government in setting the minimum wage is free to take other factors into account. Thus, on this score the government exerts profound influence upon the wage level.

"Free" collective bargaining thus is still in its infancy in France. At the present moment it is fair to say that the unions are too weak and too divided to be able to impose it upon employers, the majority of whom show little sincere inclination to make collective bargaining work. Nationalization may have helped collective bargaining insofar as it has brought a partner to the bargaining table who is less hostile to the unions than many private employers and more subject to union pressure—by way of politics—than the employers' associations.

Consultation in French industry has been provided for in two ways: by way of union participation in the boards of nationalized enterprises and through Joint Factory Committees (Comités d'entreprise). Of the first device, it is fair to say that it has no practical meaning in terms of the actual participation of the workers in the life of the enterprise. The short and infrequent meetings of the boards may afford the union representatives some opportunities to discuss the general policies of management. They can hardly give them a say in matters of the every-day life of the plants, nor are communications between rank and file and the union representatives on the boards such as to give the worker a real sense of participation.

The joint factory committees, in which one management representative and elected workers' representatives meet, are not an institution of public enterprise alone. Indeed, by an error in legislation they were not made applicable to the nationalized industries. Nevertheless, they exist in some of them. They deal with welfare problems on which they have authority to decide. On economic and financial matters, they have only consultative status. In the field of welfare, many of these committees have done important work—running from plant cafeterias to vacation homes for children, loans for emergencies, and the like. Their work in the fields of productivity and efficiency, of general economic and financial matters has been far less successful. Management, in most cases, has done very little to assist the committees in these questions, following in the main the traditional line that these were purely matters for management consideration. Nor do the workers, apparently, show much interest in problems that do not directly concern the traditional scope of labor action. Moreover, few workers feel competent to deal with matters of an economic or financial nature and education has done little to prepare them for such assignments. Once again, the politically inspired efforts of the CGT to transform the committees into means of struggle against the employer add another source of weakness to the system.

On the whole, therefore, it is fair to say that workers' participation in management has not yet gone far beyond a slogan in France. Nationalization has made no significant contribution to the achievement of this ambitious goal.

CHAPTER X *Unionism since the War*

EUROPEAN trade unionism since the end of World War II has been affected by four factors that are likely to be permanent or recurrent: full employment, partial nationalization of industry, governmental planning, and the existence of labor governments. These facts have created new problems for democratic trade unionism. It would be rash to claim that stable solutions have been developed for any of these questions. Indeed, it is doubtful whether their full implications have yet been realized. Some of the principles, however, that democratic trade unionism in Europe seems resolved to apply to their solution may be stated.

Briefly, the basic tenet is that independent trade unions must be maintained regardless of any economic, political, or social changes that have occurred or may still take place. This principle is accepted partly because the survival of trade unionism is considered an indispensable condition for the continued existence of a free society, in opposition to a totalitarian dictatorship which turns trade unions into departments of the government's administrative machinery. A more pragmatic reason for the drive to maintain independent trade unions is, of course, the fact that democracy involves of necessity the possibility that economic, political, and social changes might be "revised backward." A situation might be created similar to that of the interwar period. Unemployment, the return of nationalized industries to private enter-

prise, the abolition of planning, and the return of "bourgeois" governments are possible. As long as they are possible, strong independent unions must be maintained. Finally, even in the absence of such "reactionary" movements, Western Europe will continue for a long period to have a substantial privately managed sector of the economy in which strong trade unions will continue to be indispensable devices for the defense of the workers' interests.

Since free unions are to survive, they must continue to fulfill functions which will enable them to live. In practice this means that they must have a share in collective bargaining—one of the basic tasks of a union without which it could hardly exist. It follows, furthermore, that strikes—the ultimate weapon of free trade unionism—must at least be possible, even though they need not be either frequent or an ordinary device of trade union strategy.

These principles seem relatively simple and widely accepted. However, serious difficulties appear as soon as they are applied to the concrete problems facing democratic trade unionism in Europe.

Full employment implies that the main restraint upon inflationary wage developments, namely employers' resistance to demands for wage increases, is weakened or eliminated. Basically this leaves only two solutions: self-restraint on the part of the unions or governmental wage controls.

In the first postwar years this issue has been often concealed by the obvious balance of payment difficulties which inflationary wage and price movements would create. Appeals to union self-restraint based upon the emergency confronting the nation have been relatively effective, the more so as the appeals issued from labor governments which the unions were eager to support. But when in 1949 and 1950 the balance of payments difficulties showed signs of being overcome—though perhaps only temporarily—union pressure

for higher money wages became more and more difficult to restrain. Only then did the real problem emerge.

Different union structures show a greater or lesser degree of power to resist—or, more correctly, to delay—such pressures. The British Trade Union Congress has no statutory but only moral influence on the wage policies of affiliated unions. The absence of effective power has been regretted.

> The increased participation of the trade union in industry and national policy-making bodies has added urgency to the problem of the centralization and coordination of the trade union movement. Here the first problem is that of the powers, function and authority of the General Council of the Trades Union Congress. A glance at the Reports of the General Council in the last ten years reveals a rapid increase in both the number and importance of the tasks undertaken by the Council although its limited constitutional powers have remained unchanged. This trend cannot continue without a breakdown, and a full-time General Council with greater powers, accompanied by some limitation of the rights of individual affiliated unions would appear inevitable.[1]

Desirable as such a development might be, there is little doubt that, at the best, it will be the result of a long evolution. In the meantime, competitive group bargaining is likely to continue.

This system makes a policy of wages stabilization probably more difficult to maintain than the highly centralized bargaining system of Norway. The philosophy underlying Norwegian centralism was well stated by Olav Hindahl, Chairman of the Norwegian Federation of Labor:

> In their own interest, and in the interest of the masses of the population, workers must take into account broad social considerations in their collective bargaining. Each controversy must be judged in the light of its effects upon the over-all policy of the trade union movement and the party. Otherwise we will tear

1. J. B. Jeffreys; *Trade Unions in a Labour Britain,* London, 1947, p. 7.

down with one hand what we are engaged in building with the other.

Obviously this does not mean that, in general, workers yield the right to strike. Strikes have occurred frequently even under the Labor government. . . . A cold-blooded analysis of the operation and results of lengthy labor strife, however, yields the conclusion that it is rarely worthwhile. . . .

There is a long way to go before we can say that trade unions are sufficiently realistic when it comes to making demands and voting on new contracts. The individual is inclined above all to take a position based upon the interests of his own group or the district he represents. And so it is forgotten that such matters must be judged from a class and a social point of view.[2]

Nevertheless, the record of the Norwegian unions in preventing inflationary wage developments is remarkably good. However, not only is it doubtful whether this organizational scheme can be transferred to other countries, but the question may also be asked whether unions can permanently forego their task of pressing money wages upwards whenever the opportunity presents itself,[3] or whether union policy can be basically changed without endangering the survival of the unions themselves.

Those who hold that the Norwegian pattern cannot be transferred elsewhere and those who believe that unions in the long run cannot survive with a policy of self-restraint have powerful arguments in their favor. Proposals for a wages policy to be set in some form by the General Council of the TUC have been made in Great Britain.[4] The opponents

---

2. Olav Hindahl, "Fagbevegelsens samfundsmassige stilling" in *Fagbevegelsens Okonomiske Problemer*, pp. 267-270; quoted in Walter Galenson, *op. cit.*, pp. 317-319.

3. Cf. H. W. Singer, "Wage Policy in Full Employment," *The Economic Journal*, December 1947.

4. Among others by Tom Williamson, General Secretary of the National Union of General and Municipal Workers, in the February, 1950, issue of his union journal, and more specifically by the group of Labour Members of Parliament backing a policy statement entitled "Keeping Left." They suggested that the government fix a global figure for that part of the

have pointed out that this would "weaken rather than strengthen the unity of the movement, since every wage claim would then become an inter-union conflict." Centralized wage negotiations would threaten the active participation of the workers in the life of their unions.

> I believe that if the Trades Union Congress were to assume the responsibility of adjudicating on the merits of competing union wage claims it would be courting disaster. I further believe that the necessary increase in its powers over affiliated unions would neither be acceptable to most of them nor healthy in its consequences for the active democratic life of the movement.[5]

Whether these fears are justified in the light of the Norwegian experience it is probably too early to judge. However, it seems difficult to reject the view that, but for catastrophic developments, the British unions are unlikely to submit in the foreseeable future to a centralistic pattern of collective bargaining. From this point of view government intervention of some kind in the process of wage determination becomes inevitable.[6] At this point, this issue merges with the general problems raised by government planning of the economic process. If collective bargaining is to be truly free, its results must be left to the respective bargaining power and skill of the two sides. But in a planned economy the aggregate consumption and—by implication—the total wages bill are

---

national wages bill subject to collective bargaining. "It would then be the function of the unions, acting in concert under the direction of the General Council, to allocate the total, and any increases in it, among the various categories of workers." The Trades Union Congress of 1952 showed an overwhelming disinclination to develop a common union wages policy. Even a modest proposal "to review the existing machinery for wage fixing and negotiation" and "to consider and report whether greater coordination is desirable" was rejected without much ado. The President described the entire debate "as a sheer waste of time."

5. Quoted from Allan Flanders, *A Policy for Wages*, London, 1950, pp. 16-17.

6. Flanders also refers to the "public interest in the outcome of negotiation and arbitration" in support of his views. *Op. cit.*, p. 17.

determined beforehand by the plan in such a way as to match labor supply with the labor requirements of the plan.[7]

It is difficult to conceive of a planned economy which would leave as vital a factor as the wages bill, and thereby the labor supply, outside of the area of planning. Although this does not exclude collective bargaining altogether, its function would clearly be different from that in an economy based upon free private enterprise. A proposal for public regulation of wage movements discussed in Great Britain provides for a National Wages Board which would have to implement a wages policy jointly determined by the unions, the government, and the employers' associations. The tasks of this Wages Board have been described as follows:

1. It would supervise the decisions of all statutory wage-fixing bodies.
2. It would supervise all voluntary collective agreements relating to terms of employment.
3. It would act as the final and supreme arbitration authority.
4. It would be empowered to initiate enquiries with a view to proposing necessary reforms of existing wage structures.[8]

Collective bargaining would thus consist eventually of two or three separate processes: a basic agreement among unions, employers, and the government on the principles of wage change which would imply a decision on a wages fund (although not in a precise sense); individual collective agreements within the framework thus elaborated; and, finally, the defense of such agreements before a National Wages Board. Although the unions would thus retain their bargaining functions in some ways, they would tend to become regulating agencies as well. It is a fair approximation—though perhaps an overstatement—to say that the central wage bar-

7. Cf. Barbara Wooton, *Freedom under Planning*, Chapel Hill, 1945, p. 113.

8. Allan Flanders, *op. cit.*, p. 20.

gain determines the absolute wage level while individual union bargaining sets relative wages. The term "wages" includes, of course, all other terms of employment that represent a wage payment in some form. Strictly speaking, most working conditions should be included as well since they influence total output, but for sound practical reasons the central authorities will hardly wish to deal with them.

This may seem a workable alternative to the Norwegian system, one perhaps better adapted to British conditions. Whether it really corresponds to them—or, what is even more doubtful, to, say, French conditions—remains to be seen. Essentially, it represents a combination of union self-restraint and government pressure. This raises the question of the effectiveness of government pressure, particularly when the government in question is a labor government; in other words, a government led by a party with which the unions are in some ways connected.

Our discussion of the different impact of the tradition of enlightened absolutism on labor in Britain and on the Continent leads us to expect differences in the attitudes of these labor movements to government intervention in the wage bargain. This is indeed so: British labor has shown great reluctance to accept such intervention while continental unions have been far more ready to tolerate or indeed to ask for it.[9] These differences appear again in discussions about the future of collective bargaining in the postwar era. Two brief references will illustrate these attitudes.

In a Norwegian workers' education pamphlet "the new philosophy" of that labor movement is stated as follows:

> In a planned economy, where the labor movement has political leadership, it is unthinkable that wage disputes should lead to great conflicts between workers and employers, with the public a sort of unwilling middleman. . . . A planned economy is not

9. See Ch. VIII.

the same as socialism. But it does mean that society plays an active role in the development, coordination, and conduct of economic life toward a goal set by itself.

It is outmoded and uneconomic to demonstrate by wasting labor time and stopping work. We must seek other and equally effective means of expressing our discontent, rather than have the production on which we ourselves are dependent reduced or halted entirely.[10]

This may be contrasted with the spirit of the remarks made by Arthur Deakin, Bevin's successor as General Secretary of the Transport and General Workers' Union in Great Britain, at the Labour Party Conference in 1947:

> Under no circumstances at all will we accept the position that the responsibility for the fixation of wages, and the regulation of conditions of employment is one for the Government. . . . It would be disastrous, it would create chaos among the rank and file, and this would be destructive of the economy of the country, and of the effort so vitally necessary at this time.

Although this speech met with some of the sharpest criticism ever uttered at a British Labour Party Conference, it cannot be said that Deakin's remarks did not express a powerful tradition of the British trade unions. Yet Deakin's objections need not be taken to mean that the unions would reject under all circumstances government participation in the working out of principles of a wages policy, leaving their application to collective bargaining; for this is precisely what has been happening in Great Britain between 1945 and 1950. The main issue is whether such a system can be made permanent—as permanent as full employment—or whether it must be limited to periods of emergency.

If it cannot be made permanent, as events in Britain so far tend to indicate, then a solution may have to be found along the lines of a lower "full-employment" level. The term "full

10. Gunnar Ousland, "Se samfunnet gjennom verkstedet." Oslo, 1946, pp. 21-22, quoted by Galenson, *op. cit.*, p. 322. Similar ideas were expressed by Aneurin Bevan at the British Trades Union Conference in 1949.

employment" has indeed been given a number of meanings ranging from Lord Beveridge's definition—more jobs than job applicants—to those providing for substantial "frictional" unemployment. Changes in the wage and price levels, it has been assumed throughout this discussion depend on employment levels.[11] When unemployment drops below a certain "critical" level wages tend to rise. Below this "critical" employment level, there is a range of employment within which wages and prices remain stable. Beyond this range, consequently and at least in a fairly long run, wages and prices tend to drop. If "full employment" were to be defined so as to mean the highest possible employment level within the range of wage and price stability, the issue of making full employment compatible with price stability without abandoning free sectional collective bargaining would become manageable.

This would mean that the credit and fiscal authorities would undertake to maintain at all times a minimum employment level as close to the upper limit of the stability range as possible. Increased productivity permits corresponding wage increases without raising prices. The faster the progress of productivity, the higher is the upper limit of the employment level at which price stability is still possible. Where precisely this level lies can only be ascertained, for any given situation, by trial and error.[12] If nonlabor incomes can be squeezed or the growth of productivity hastened, "full employment" can be made "fuller" without impairing price stability. If the recipients of nonlabor shares of national in-

---

11. We are disregarding, for the moment, the influence of changes in productivity, i.e., output per man-hour.

12. J. W. Garbarino, "Unionism and the General Wage Level," *American Economic Review*, Vol. XL, No. 5, Pt. 1, December, 1950, p. 895, estimates "that unemployment must fall below about 5% in peacetime before non-union markets generate a rate of increase in wages greater than 3%." What the corresponding level for union-markets is, remains to be seen.

come begin to withdraw from the market, if the economy is stagnant, price stability requires a larger volume of unemployment. Under certain conditions it might however be desirable in the latter case to let prices rise somewhat. Experience has shown that a mild price increase tends to bring some "dynamism" into a stagnant economic system.

The acceptance of such a policy need not involve substantial losses of potential output. For a number of reasons, a reduction of unemployment from the "critical" level to its rock-bottom minimum is likely to produce a less than proportionate increase of output. Moreover, special action could be taken if the remaining unemployment problem were to be particularly harmful as in the case of a concentration of unemployed in particular places. Such help would be fully justified since in a sense these workers would be unemployed for the benefit of society.

The three elements: full employment, price stability, and free collective bargaining have been found to be incompatible. The suggested policy implies that if the two latter elements —price stability and free collective bargaining—are valued more highly than the first, some degree of unemployment has to be accepted.

Trade unions on the Continent, accustomed to frequent government intervention in industrial relations, will obviously find far less difficulty than their British colleagues in accepting such intervention, particularly when it comes from a friendly government. Indeed in many countries during the interwar period unions relied upon political assistance in their industrial conflicts far more than upon their economic strength. Thus Austria in the 1920's has been described as a trade union paradise because strikes were almost never lost: when necessary, at the last moment political pressure would be brought to bear upon the government to force recalci-

trant employers to compromise with the union—and the government never lacked effective powers of persuading the employers. Similarly in Norway "the view is gaining currency that political pressure is more effective than economic action in coercing recalcitrant employers."[13]

It is obvious that collective bargaining and trade union action in general are of a different nature, once labor governments are in power, economic life is in some form subject to over-all planning, full employment is a main objective of economic policy, and substantial parts of industry are nationalized. This is not socialism, but it is already a sufficiently changed social organization to affect profoundly the nature of the labor organizations. Just what precisely their new nature and function will be it is difficult to predict. Most probably traditional cultural patterns and the particular history of the different labor movements will influence the evolution of trade unionism in different countries so that the diversity of the national patterns of union behavior may be expected to increase even further. Unions that are concerned with the size of national income even more than with its distribution will behave differently from those unions which continue to put their main emphasis on the issues of distribution. On the other hand, the recognition of the permanent value of independent trade unions in a free society, and perhaps the concern with unions as devices by which the human personality can find expression in the midst of an era of progressive mechanization are likely to prevent democratic unions in Western Europe from following the Soviet pattern and from becoming mere departments of a centralized government machinery. In effect, this means that in order to maintain full employment and a high degree of price stability, a lesser degree of union independence, and less free collective

13. Galenson, *op. cit.* pp. 321-322.

bargaining are accepted.[14] This need not imply complete subordination to government control, which would mean a totalitarian regime. But such a policy would imply that the unions forego the full use of their economic power in order to maintain their status in respect to other tools of power which they have found so useful, particularly political power. The future of most of free European labor may be situated somewhere between these two patterns, between full absorption within the government machinery and sectional concern with matters of distribution alone.

Can democratic unions find stability in their new status? When during World War I the British unions accepted a good deal of self-restraint in the interests of national defense the stop stewards became an expression of the workers' dissatisfaction and threatened at times to develop into a rival union organization. Is there a danger that under a labor government unions restrained by political considerations from a full exploitation of their power will again be confronted with competitive organizations less hampered by an alliance with the political labor movement? Will Communists or syndicalists be a permanent threat to the stability of democratic unions under a labor government? Or is the eternal struggle against these foes of democratic unions part of the democratic way of life once labor has accepted the responsibility of governmental power?

It is far too early to attempt to answer these questions in any other way than by speculation. And this seems in this field a particularly unrewarding pastime. Yet it should be recorded that during the life of the British and Scandinavian labor governments since the end of World War II Communist influence has notably declined.

---

14. As M. W. Reder has shown in "The Theoretical Problems of a National Wage-Price Policy," *The Canadian Journal of Economics and Political Science*, Vol. 14, No. 1, Feb. 1948, the unions in this case act as a part of the monetary authority. Such a function must logically impose restrictions of the community interest upon them.

Appendix

COMMENTS ON SELIG PERLMAN'S "A THEORY OF THE LABOR MOVEMENT"[1]

IN MORE than one way *A Theory of the Labor Movement* is a great book. The attempt to discover one guiding principle by which to approach and to analyze as diversified social phenomena as the labor movements of a number of different countries and different cultures is impressive, even though we might not accept that very principle. Moreover, this book has shaped the minds of some of the outstanding students of labor in this country, and it has greatly contributed to the forming and perpetuating of the Wisconsin School, whose disciples undoubtedly represent the largest and in the many ways the most significant single contingent among the students of labor in the United States.

The tremendous influence which this book has exerted on the minds of American students, however, creates the obligation for subsequent generations to look back upon it from time to time and to re-examine its assumptions and conclusions.

Perlman's book was written to justify "America's job-conscious unionism against its critics who described it as a

1. This is a slightly abbreviated and modified version of an essay originally printed in "Industrial and Labor Relations Review," Vol. IV, No. 4, July, 1951.

phenomenon in labor movement pathology."[2] As against this attack Perlman pointed out how, under the conditions of the United States, any other form of unionism was doomed to failure: the power of the property sense among the citizens of the United States, the lack of class consciousness of American labor, and the inadequacy of the political instrument under the constitutional and sociological conditions of the United States combined to make hopeless any attempt to transplant the pattern of European labor to the American scene. The history of the American labor movement was a process of elimination of those forms of labor organization and action which could not survive under American conditions. It is the "job-conscious" unionism of the AFL, the ideas and strategy of Samuel Gompers, which succeeded in the "struggle for the survival," demonstrating thereby their "fitness." They corresponded to "both the external environment and the American workman's psychology. For otherwise, beset on all sides, without and within the labor movement, it could neither have survived, nor attained a stability hitherto unknown in American labor history.[3]

As a defensive position, this statement was extremely powerful. But Perlman, and perhaps even more his disciples, did not stop at this point. From defense they passed to offense. The cardinal point of this counterattack was rather simple. While admitting the particular conditions of European labor[4] and even some of the positive values of European unionism,[5] Perlman attempted to demonstrate that "job-consciousness" was labor's "home-grown philosophy" everywhere; the ideological and political elements in the European

---

2. Selig Perlman and Wilhelm H. Knowles, "American Unionism in the Postwar World," in T. C. T. McCormick, ed., *Problems of the Post-War World*. New York and London, 1945, p. 38.

3. *A Theory of the Labor Movement*, p. 201.

4. For example, *Theory*, p. 29, note.

5. For example, *Theory*, p. 300.

labor movement were the results of indoctrination by intellectuals. Having made a not too friendly attempt at classifying the intellecuals operating in and on the labor movement, Perlman ascribes to them the responsibility for having led labor in directions which do not correspond to the inborn trends of the workingmen, nor—it would seem—to their real interests. But the *Theory* concludes on an optimistic note: European labor is in the process of freeing itself from intellectual leadership. It is particularly the German labor movement on which Perlman bases his main hopes for the delivery of labor from the "intellectual scourge." It was there that the trade union movement during the 1920's "delivered a critical blow to the leadership of the labor movement by the revolutionary intellectual."[6]

This raises a number of questions: Was it, indeed, the intellectual who carried the ideological and political germ into European labor's home-grown philosophy? What is the role of the intellectual in the labor movement? Does the emancipation of labor from intellectual leadership change the ideological and political character of European labor?

An attempt will be made to answer these questions in the light of the experience of the first half of this century and then to proceed to a brief examination of the present relationship between American and European labor.

§ PERLMAN'S PRECURSORS

DISCUSSIONS about the proper role of the intellectual in the labor movement have been frequent in European labor history. No less a man than Lenin was greatly concerned with the question. It is important to understand the circumstances which led him to examine it.

6. *Theory*, p. 303.

In the early 1890's, the Russian Social Democratic Party consisted of small groups of intellectuals and students who had few contacts with the industrial workers; most of the workers were completely untrained in trade union methods and unfamiliar with even the most primitive forms of organized action. In the middle of the 1890's, a wave of prosperity led to an upsurge of working-class activity. It concerned purely economic demands, mainly for higher wages and shorter hours. This gave the social democratic organizations an opportunity to establish closer contacts with the workers. The Socialists set up "associations for the struggle," to which workers in the factories reported. On the basis of these reports the associations wrote and published leaflets denouncing the employers. These leaflets were distributed in the factories by the workers who cooperated with the associations. The associations helped to formulate the workers' demands to be addressed to the employers. When strikes broke out, the associations supported the strikers morally and intellectually. In this way the social-democratic groups succeeded in gaining influence over larger numbers of workers. The large strike movements in Moscow and St. Petersburg in 1895 and the textile workers' strikes of the following year were led by Social Democrats.[7]

As a result, a movement arose within the Russian Social Democratic Party which corresponded in some ways to the contemporary "Revisionist" movement of Eduard Bernstein in Germany. The struggles for the economic demands of the workers took precedence over the political struggle against Czarism and capitalism. This movement was labeled "economism." Lenin was its bitterest enemy. It is undeniable, however, that it was the activity of the "economists" which first

---

7. See Isaac Deutscher, *Soviet Trade Unions: Their Place in Soviet Labor Policy*. London, New York, 1950, pp. 2-8. Otto Bauer, *Die Illegale Partei*. Paris, 1929, *passim*.

established close cooperation between the social democratic intelligentsia and the workers. In this way, industrial workers in larger numbers were for the first time exposed to the Marxian propaganda of the "associations," while the Party was given its first opportunity to leave the ivory tower of its endless debates and to enter into action.

"Economism," however, was destined to be a brief, though vital, phase in the evolution of the Russian labor movement. The great strike wave petered out at the turn of the century and political issues took first place. It was this evolution which culminated in the revolution of 1905. The Social Democratic Party changed its strategy according to the new circumstances. For this to succeed it was essential that the influence of the "economists" be overcome. The paper *Iskra*, published by Martov and Lenin—later the leaders of the Menshevik and Bolshevik wings of the Social Democratic Party, respectively, but at this stage still united—was devoted to the struggle against the influence of the "economists." To the same task Lenin dedicated his famous pamphlet *What Is to Be Done*.[8] In this work, which is very important for an understanding of the principles of Leninism, Lenin wrote:

> The strikes of the nineties revealed far greater flashes of consciousness: Definite demands were put forward, the time to strike was carefully chosen, known cases and examples in other places were discussed, etc. While the revolts were simple uprisings of the oppressed, the systematic strikes representd the class struggle in embryo, but only in embryo. Taken by themselves, these strikes were simple trade union struggles, but not yet Social-Democratic struggles. They testified to the awakening antagonisms between workers and employers, but the workers were not and could not be conscious of the irreconcilable antagonism of their interests to the whole of the modern political and social system; i.e., it was not yet Social-Democratic con-

8. Lenin, *Collected Works, 1929*, Vol. IV. The following is on p. 114. Part of this is quoted by Perlman himself (p. 8, note) but not the subsequent Lenin-Plekhanoff discussion.

sciousness. In this sense, the strikes of the nineties, in spite of the enormous progress they represented as compared with the "revolts," represented a purely spontaneous movement.

We said that there could not yet be Social-Democratic consciousness among the workers. This consciousness could be only brought to them from without. . . .

The history of all countries shows that the working class, exclusively by its own effort, is able to develop only trade-union consciousness; i.e., it may itself realize the necessity for combining in unions, for fighting against the employers, and for striving to compel the government to press necessary labor legislation, etc. The theory of Socialism, however, grew out of the philosophic, historical and economic theories that were elaborated by the educated representatives of the propertied classes, the intellectuals. According to their social status, the founders of modern scientific Socialism, Marx and Engels, themselves belonged to the bourgeois intelligentsia. Similarly, in Russia, the theoretical doctrine of Social Democracy arose quite independently of the spontaneous growth of the labor movement; it arose as a natural and inevitable outcome of the development of ideas among the revolutionary socialist intelligentsia. . . .

This statement—with one significant difference—could have been written by Professor Perlman. This is essentially the approach of the *Theory* to the problem of the relationship between the workers and the intelligentsia. The difference between the *Theory* and *What Is to Be Done* is, of course, that Lenin used the very same approach for a criticism of the "economists" which Perlman, in the same situation, would have used to support them.

However, the difference does not stop at this point; for Lenin soon recanted. He found himself sharply opposed by the famous Marxian theoretician, Plekhanoff. Lenin's views, Plekhanoff said,[9] were a throwback to long-surpassed "idealistic" views about the functions of the Party. The opposition between the workers and the capitalistic society is not car-

9. No. 70 and 71 of *Iskra*, reprinted in his collected works (Russian), Vol. XIII.

ried into the working class from the outside, Plekhanoff said. It is rather the result of the workers' experience under capitalism. Plekhanoff admitted that the theory of socialism had been developed by members of the "bourgeois intelligentsia." But they can only clarify and give a "scientific basis" to what the workers themselves feel and experience.

Lenin answered[10] that Plekhanoff had attacked "sentences torn out of their context or individual expressions which I had not formulated well or carefully enough." The references to the spontaneity of the workers and their trade union consciousness ought to have been read in connection with the attack upon "economism." The "economists" had bent the stick in one direction. To make it straight, he bent it in the other direction.

§ EUROPEAN LABOR AND POLITICS

THESE EXCURSIONS into literary history do not have the purpose of branding Perlman a "Leninist" but rather of pointing out that this problem has been dealt with at some length in the Marxian literature. For quite clearly, the relationship between the intelligentsia and the labor movement represented a major question in Europe[11] far more than in the United States. But this difference is not due to the relative superiority of European intellectuals over their American colleagues, which enabled the first to succeed where the latter failed; the reason is a far more profound one; it has its roots in the political and social history of Europe.

---

10. In the preface to the volume *Zwölf Jahre*, Collected Works (in German), Vienna-Berlin, 1933, Vol. XII, 79.

11. It has provided Robert Michels with a good deal of material for his writings, among others: *Le Prolétariat et la Bourgeoisie dans le Mouvement Socaliste Italien*, Paris, 1921.

Feudalism determined the class consciousness of the European worker—at least in the sense of making him ready to accept a social philosophy based upon the existence and the conflict of clearly determined social classes. It also aroused in him the desire to change the order of hierarchy—"Mêler les fortunes!" Enlightened absolutism convinced the Continental European that political power was the key instrument of social transformation. The combination of these two elements led to European political unionism.

It is only fair to apply to this kind of unionism the same test which Perlman used to demonstrate the validity of American "job-conscious" unionism, namely, that it "fitted." The evidence is both historical and contemporary.

Political unionism implies labor organizations which are closely allied with political parties. Although the forms of this association have been changing over time and are different in various countries of Europe, all major labor unions of Europe—with one exception, those of France—have been "political" in this sense. All efforts to change this state of affairs have failed.

The results of this, it seems to me, indicate that "political" unionism is and remains the fate of European labor. It "fits," precisely as "nonpartisan" activity "fitted" American labor. Whether it is good or bad is a permissible question for anyone dealing in social theory and inclined to speculation. For our purposes, however, it is sufficient to state that it is so.

§ THE INTELLECTUALS AND LABOR

I HAVE referred above to the discussions between Lenin and Plekhanoff regarding the role of the intellectual in the labor

movement. The problem, however, is not fully understood unless one takes into account the low level of education of the workers in the early stages of the labor movement and their inherited attitude toward education, widely at variance with American attitudes.

Up to the middle and far into the second half of the nineteenth century an aristocratic view of education dominated in Europe. Its main tenet was that higher education for the children of the poor, if provided at all, ought to be restricted to those skills which would improve their value in work. This spirit was expressed in the famous words of Governor Berkeley of Virginia in the 1670's: "I thank God there are no free schools, and I hope we shall not have them these hundred years; for learning has brought disobedience and sects into the world."[12] While the "great educational awakening" during the period 1835-1860 brought the common school and the high school to many parts of the United States, educational progress in Europe was slow in developing. Thus in regard to France we are told that

> during the eighteenth and early nineteenth century the different monarchic powers were not at all favorable to training the masses, and popular education was badly neglected. It required several revolutions in government and the establishment of a permanent republic, to break the old traditions completely, and to make it evident that universal suffrage should be accompanied by universal education.[13]

Free elementary education was introduced only in 1881 and made compulsory the following year. In England, the "nationalization and universalizing of education were delayed even longer than in France," partly because "the House of Lords . . . strove to keep the poor in ignorance and to main-

12. F. P. Graves, *A History of Education in Modern Times*. New York, 1928, p. 84.

13. F. P. Graves, *op. cit.*, p. 292.

tain the authority of the established church."[14] Compulsory attendance laws were enacted in 1876 and 1880.

Thus, at the time of the Chartist movement large parts of the British working class were still illiterate.[15] But there was gradual progress, there were substantial local differences, and some working-class groups were far ahead of the great mass. Thus Lovett, writing to his fellow Chartist, Francis Place, in 1834, said: "If I now enter a mixed assembly of workingmen, I find twenty where I formerly met with one who knew anything of society, politics or government. . . ."[16] It was particularly the skilled craftsmen in London who were well educated. "Their influence gave an element of stability to the trade union movement."[17]

Needless to say, universal education was far more backward still in Belgium, Italy, Austria-Hungary, and, of course, Russia. Where—as in Prussia—universal education came at a fairly early date (1808 to 1817), it was accompanied by a class division which kept the children of the lower classes apart from those of the upper classes and reserved to the latter not only higher, but also secondary, education and a

---

14. F. P. Graves, *op. cit.*, p. 301-302.

15. "Of a group who were tried in connection with a Chartist outbreak in the manufacturing districts, a large proportion could scarcely read or write." A. E. Dobbs, *Education and Social Movements 1700-1850*. London, 1919, p. 213.

16. Quoted by Dobbs, *op. cit.*, p. 215.

17. *Ibid.*, p. 216. "Elementary education was aimed not at producing democratic citizens but at fitting the ordinary people for the state in life to which they were called, whereas secondary education was conceived as fitting the potential rulers of the nation to take their rightful places in the state, church, or business world. Whenever American education is compared with European education, this essential difference in social structure and purpose of education should be taken into account." R. Freeman Butts, *A Cultural History of Education*, New York and London, 1947, p. 422. "Whereas most European countries maintained a dual system of schools frankly designed to separate the upper classes from the lower classes, the United States launched a democratic system designed to provide equality of opportunity for everyone to go as far upward as his talents and abilities would take him." *Ibid.*, p. 486.

whole series of privileges attached to graduation from the "reserved" schools.

What this brief survey may indicate is, in the first place, that intellectuals were, under the given conditions, indispensable for the labor movement in its first steps. Without their assistance even the list of demands to be presented to the employers might not have been drawn up in the Russian strikes of the 1890's; nor would it have been possible without their teaching for the Belgian unions to find the required number of workers who—by being able to read and write—had the legally necessary qualifications to become members of the labor courts (conseils des prud'hommes), since free universal compulsory education became a fact in Belgium as late as 1919.[18]

Furthermore, the aristocratic view of education has impressed the workers of Europe with a respect for higher education which has no counterpart in the United States. To be sure, there was a good deal of distrust, often enough not without justification, for the intellectual who "offered his services" to the labor movement.[19] But when it came, for instance, to elections, time and again the workers preferred to nominate members of the intelligentsia rather than workers as their candidates, or, given the choice among several candidates of the Socialist Party, they voted for the intellectuals. As Michels points out:

> The peculiar reluctance of the proletarian to give his vote to his equals, a reluctance which has its origin in his lack of confidence in himself, in his capacities and perhaps also in the strength

---

18. The law was passed in 1913, but implemented only after World War I. I have known personally a senator of Belgium who, for the reason stated above, learned how to read and write as an adult in a school run by the unions.

19. After Lassalle's death his followers, in their struggle against the rival Eisenacher group, boasted that they did not accept intellectuals as members, and above all not Jews. R. Meyer, *Der Emancipationskampf des*

of his own character has greatly contributed to cause . . . the Party of the Workers to be consistently and for a long time led almost entirely by intellectuals.[20]

From this would follow two important inferences: (1) that the influence of the intellectual on the labor movement in Europe is part and parcel of the very same legacy of feudalism which has given European labor so much of its general outlook on life; and (2) that with the progress of democracy, and particularly of democratic education, the influence of the intellectuals may be expected to diminish. Undoubtedly, this has happened, at least in the form that more and more workers and workers' children themselves turn "intellectual" and that unions develop in professional fields. Surely, the dependency of the workers on intellectuals who can read or write for them has greatly decreased, if not altogether disappeared.

But this evolution has not been accompanied by a turn of European labor away from politics and the reform ideas by which, according to Perlman, the intellectuals "corrupted" the "home-grown" philosophy of labor.[21] Indeed, as we have seen, attempts to lead labor into new ways after World War II have failed, although by now quite clearly the influ-

---

Vierten Standes in Deutschland, Berlin, 1874, p. 57. The Workers' Party of Milan declared in its *Manifesto* of May 17, 1882, that it accepted only manual workers as members; by 1890, however, it welcomed in fact the affiliation of intellectuals. Michels, *op. cit.*, p. 266.

20. Michels, *op. cit.*, p. 311. This book contains (pp. 87ff.) significant statistics about the proportion of intellectuals in the parliamentary group of Socialist parties of a number of European countries between 1903 and 1905.

21. This overstates Perlman's case, but only very little. In his contribution to H. A. Marquand's *Organized Labor in Four Continents* (Longmans: New York, Toronto, 1939) Perlman regretfully speaks of American labor's lack of "class consciousness"; and in his *Theory* (p. 33) he ascribes to the intellectual the virtue of having left "upon the labor movement an indelible imprint of idealism and of an unquestioned solidarity . . . which has survived, to the great advantage of the movement." But these are exceptions in a long list of "sins" enumerated by Perlman.

ence of the intellectuals ought to be weakened as a result of the progress of working-class education.

Have the intellectuals consistently led European labor into "leftist" ways? It is conceivable that on this point Perlman has been the victim of personal experience. In the United States the intellectual who has approached labor has been typically a radical who has criticized it, from a leftist point of view, as too conservative, as insufficiently ambitious, as showing only a limited interest in wider issues. Perlman's discussion of the role of the intellectuals in European labor[22] gives the impression that he judges the European intellectual in the light of his American counterpart.

The fact is, however, that in Europe intellectuals have been found at least as often on the "right" of the large mass of workers as on their "left." It is true that many trade union leaders supported the revisionists in Germany against the radicals, and even more strongly opposed the extreme Left which advocated the revolutionary general strike; but many trade union leaders found themselves among the radical majority which defeated the revisionists, and the latter were quite typically led by intellectuals rather than by workers.[23] In other words: the radical-revisionist division cut across the unions as well as the party, and the most articulate moderates were intellectuals rather than workers. Indeed, the main trend of the discussions at the decisive Party Conference (Dresden, 1903) leaves no room for doubt that the German workers regarded the conflict as a revolt of moderate intellectuals against radical workers. The belief that the intellectuals were trying to lead the workers into "weak compromises" with capitalism has been at least as widespread in Europe as Perlman's view that intellectuals are attempting to force the workers into

---

22. *Theory*, pp. 280-303.

23. Charles A. Gulick, *Austria from Habsburg to Hitler, Vol. I: Labor's Workshop of Democracy*. Berkeley and Los Angeles, 1948, pp. 293-308.

radical views and methods. Perlman's attempt to establish a division between the radical intellectuals and the moderate trade unionists clearly does not fit this situation. As I have attempted to show,[24] it was precisely the victory of the radicals which for many years blocked the way for effective political action on the part of German labor.

Another example of the inappropriateness of Perlman's analysis as applied to European labor is his discussion of the French labor movement. Perlman's own explanation is limited to a footnote. He writes:

> Working-class anarchism, like French Syndicalism, has been a clever working-class stratagem to get rid of the hegemony of the intellectual. The intellectual was eliminated from the trade union movement in the name of the very revolutionary class-consciousness which he himself had helped to evoke in labor. But observe how naturally the Confédération Générale du Travail had slipped during the War into a position of opportunistic unionism. On the whole, the disappointing weakness of French unionism after 1920, exposing a deplorable instability in the movement, goes back to its constant absorption in mere matters of abstract ideology—syndicalism, reformist socialism and communism—largely the result of an earlier indoctrination, directly and indirectly, by individuals. Lacking a safe psychic anchorage in a body of "job control" practices, the French labor movement has proved an easy plaything for the gusts of wind blowing from Soviet Russia, until the frail bark has been broken on the rocks of an exceptionally entrenched capitalism.[25]

The phenomenon to be explained is the fact that the most antiintellectual labor movement of Europe has been far more absorbed by ideological issues than, e.g., the labor movements of Germany and Britain, both of which are Perlman's own examples for movements "infected" by intellectual leadership. By any yardstick the French unions have been (and con-

---

24. In my *The Tragedy of European Labor, 1918-1939*. New York, 1943, pp. 18 ff.

25. *Theory*, pp. 288-289, note.

tinue to be) more interested in discussions of social philosophies than their far more practical brethren in Great Britain or Germany.[26] But to attempt to explain this by the intellectual influence to which the movement was exposed in the 1880's and 1890's, while intellectuals have been at work in the far more practical British and German movements up to this day, is obviously difficult. Perlman's thesis would lead us to expect that the British and the German unions are the most "ideological," the French the most "practical"; in actual fact, the situation is the exact reverse.[27]

In a certain sense Perlman's thesis might be compared with the theory underlying the War Labor Disputes Act of 1943, which provided that no strike could be called in an industry producing war materials until after the NLRB had taken a secret vote of the union members. The theory behind this was "that the policies of union leaders do not represent the

---

26. As one piece of evidence among many—at the founding congress of CGT-FO in April 1948 the recorded votes, by name and organization, concerned the following four issues: Preamble of the Statutes, structure of organization, name of organization, affiliation (or disaffiliation) with the World Federation of Trade Unions. None of the votes on labor issues in the accepted meaning of the term was found worthy of being recorded. Of 142 pages of the printed report on the congress proceedings roughly 25 are devoted to labor problems, 117 to "philosophical" questions. This seems to have upset even some of the delegates, for Albert Thomas, delegate of the metal workers of the Paris region, complained: "We hoped that in a trade union congress, the direction the union is to take, the purchasing power of the workers would interest the Congress at least as much as the conflict between two currents about the name of our Confederation. Well, I have discovered . . . that the Congress listened with attention when the 'stars' engaged in speech-making; everyone hung on their lips; but since we started talking about the purchasing power of the worker the room has become almost empty and our comrades carry on little conversations aside. . . ."

27. An attempt to offer an alternative explanation would clearly far exceed the limits set to this essay, but as a working hypothesis the idea might be put forth that the problem might be connected with the traditional weakness of French unions. This in turn might well be related to the arrested economic development of the country, the relative weakness of its capitalistic spirit, the survival of feudal concepts, etc.; in other words, to national behavior patterns.

wishes of the rank-and-file union members."[28] But for the union leaders, the workers would be reasonable and modest. Everyone knows that "the result in almost every case was an overwhelming majority vote in favor of a strike."[29] In somewhat the same way Perlman believes that "the intellectuals" have smuggled ideology as contraband into a labor movement which otherwise would have been eminently "practical" and merely job-conscious. The evidence contradicts this thesis as powerfully as the strike votes during the war were in opposition to the assumptions underlying the War Labor Disputes Act. Thus I doubt whether it could be shown that the demand for the nationalization of industry has been imposed upon the British and French workers by the intellectuals; indeed, in a few specific cases, the exactly opposite view could be more readily defended. Similarly the demand for workers' control of industry in France has had its chief protagonists in the unions, while the intellectuals in the Socialist Party reluctantly accepted and modified what they regarded as inevitable.[30] It is quite true that one of the powerful forces behind these demands was the workers' belief—whether an illusion or not—that the attainment of these objectives would be followed by higher wages and better working conditions. But this was, according to all accounts, not the only motivating force, nor can we disregard the "political" and ideological character of the demand itself. It may well be that it was "bad" for the workers to embark upon these policies or that they fail ultimately to implement them; but this is immaterial in our context. What matters is that these demands were carried forward by the workers, often against the doubts of the intellectuals.

---

28. Lloyd G. Reynolds, *Labor Economics and Labor Relations*. New York, 1949, p. 268.

29. *Ibid.*

30. Perlman's statement (*Theory*, pp. 246-247) has no supporting evidence. Neither British, nor French experience seems to me to validate it.

§ THE CONCEPT OF POLITICAL ACTION

THE DISCUSSION of French labor points out the difficulty of finding a conceptual scheme for the analysis of our problem. If we follow the traditional meaning of the terms "independent political action" and "pressure group tactics," we might come to the surprising conclusion that French labor is less political than American labor. Traditionally the French unions have not only refused to tie themselves to any political party but also insisted that none of their leading officers fill political office. Thus Léon Jouhaux, General Secretary of the CGT during the interwar period, has never belonged to the Socialist Party Executive, and it is a constant source of criticism directed at the Communist-dominated CGT after World War II that its leaders are dignitaries of the Communist Party. American trade unions, however, have had no particular objection to some of their leaders playing important parts in political parties.

Obviously these concepts do not assist us in the solution of our problem. What Perlman refers to in the *Theory* as the basic difference between American and European labor consists of three elements: (1) the difference in the relative emphasis given to political and economic means for the attainment of labor's objectives; (2) the question of labor's independent political action; and (3) the scope of the interests of labor.

As to the first, Perlman has clearly changed his views. In *American Unionism in the Postwar World* Perlman states:

> Since the Court decisions in the spring of 1937, American labor has been on a near equality with labor in Britain as regards the utility of government as a tool. No longer is the politico-legislative arena a place where labor can merely pursue a mirage. It is now a real front where decisive victories can be won. Pure

and simple unionism becomes a museum piece not because of a needed defection from job consciousness but because of the very fealty to job consciousness. . . .[31]

Although I would hesitate to follow Perlman as far as the "near equality" of British and American labor is concerned, clearly Perlman's rejection of emphasis on political action no longer holds true.

As to the age-old issue of labor's independent political party, I am inclined to think that the importance of this has been grossly overestimated. It is rather a question of expediency, on which I think Perlman has made persuasive comments. They explain, to my mind satisfactorily, why American labor has preferred to choose the way it has travelled. As long as the conditions described by Perlman persist, I foresee little likelihood of a change.

Finally and, I believe, most importantly, there is the issue of the scope of the interests of the unions. I have proposed that this, rather than the method of political action, be made the touchstone for the decision whether a given group is a pressure group or a true political organization. A "pure" wages-and-hours policy, regardless of the methods chosen to achieve it, would be called a pressure-group policy. Political action—in the sense proposed—would require that the unions develop general programs for the community at large with which their particular demands would be integrated. Clearly, European labor has developed at least "ideologies," i.e., principles of such a program, although their adequacy for given situations might be questioned.

In this respect, Perlman's *Theory* is particularly outspoken. These "ideologies," according to him, are born out of the intelligentsia and are foreign to labor's home-grown philosophy. The latter is represented by "pure and simple unionism" of the American variety. I submit that in this respect a

31. *Op. cit.* above.

substantial change has occurred on both sides of the Atlantic.

The growth of the labor organizations in this country has inevitably forced greater responsibilities upon them. This has been accompanied by a considerable widening of the scope of their interests, particularly pronounced in the case of some younger labor leaders, such as Walter P. Reuther, James Carey, and others. A comparison of the issues on which American labor unions today decide the selection of the candidates for public office whom they recommend (or reject) with those used thirty years ago would, I am inclined to think, indicate in many cases a considerable expansion of the tests applied. "Labor's friends" and "labor's enemies" are selected not merely according to their attitudes on the issues most immediately affecting labor, but more and more on issues of less direct concern to labor, yet of significance to large parts of the community.[32]

At the same time European labor has been exposed to great experiences: the totalitarian threat and the practical necessity of translating "ideologies" into concrete measures. There are growing indications that European labor is developing an increasing interest in the problems of job control, to which Perlman rightly attaches fundamental significance.[33] In this respect European labor may be following the lead of American trade unionism. Perhaps it was necessary for European labor to establish democracy and firm foundations for trade union action before it could tackle the issues of job control.[34] Even those, however, are likely to present

32. It is perhaps equally suggestive that the mine workers do not seem to have followed this trend appreciably. John L. Lewis is the outstanding surviving example of the tradition.

33. The attempts to establish a closed shop in some British enterprises might be taken as an example among many. Indeed, the trend leading European labor toward "job consciousness" was one of the main themes in my *Tragedy of European Labor*.

34. This hint may indicate that I firmly reject the theory according to which "British labor is ahead of United States Labor by a generation." In

themselves to European labor in a way different from the American way; the codetermination program of the German unions and French labor's insistence upon union representation in the management of nationalized enterprises point toward the peculiar way in which European labor approaches the problem of job control.

Not only do the unions use legislation to achieve their objectives, but participation in management, in their view, serves not only the purposes of job control, but also is an intermediary form between capitalism and socialism, according to the German view, or the foundation of a new social order, as the non-Communist French trade unions see it. The workers "participate, in a responsible fashion, in the determination of social, personnel and economic policies in all enterprises," the program of the German trade union federation states. The problem of job-control is seen as part of a process of social transformation. Indeed, the attempt at its solution may well derive its impetus from the other elements to be brought under "codetermination." Once again we must turn for an understanding to the social and political history of Europe and the role of property in establishing social status.

The approach of the German unions to the problems of codetermination, which clearly far exceeds the problem of job control and significantly integrates them in a program of social reform, emerges out of the following statement:

> It is the basically new and constructive element in the new trade union movement that it does not intend to be a unilateral representative of the interests of the workers, but a co-responsible and co-decisive factor in economic life, clearly conscious of the

---

some respects this may be true; in others the reverse seems far more correct. But in every respect the movements are likely to proceed with their own methods, grown out of their particular history.

demand that capital and labor must jointly decide economic happenings.[35]

In line with this, the introduction of trade union president Boeckler to the proposed law on codetermination (of May 22, 1950) begins with a criticism of the existing order of society, which, he says, has used the workers as "a tool . . . to be put aside whenever it is not profitable to use it." So clear is the emphasis on the need for social change that the unions have rejected as "unsatisfactory, indeed dangerous" a government counterproposal which restricts codetermination essentially to personnel problems.

Perlman's theory marks an important milestone in American thinking on labor problems and labor movements. Its emphasis on "job-control" as the central core of union action was and remains a fundamental truth. But it is an inadequate or at least incomplete tool of analysis on the world-scale. Perhaps, as is so often the case, the disciples have been more rigid than the master. They are in danger of turning into a dogma what the master himself seems quite prepared to develop and revise.

---

35. *Die Quelle,* April 1950, p. 171.

Index

Absolutism, 26, 30, 31
Abyssinia, 111
A. D. G. B., see German Trade Union Federation
Adler, Friedrich, 98, 135
A. F. L., see American Federation of Labor
Amendment Keir Hardie-Vaillant, 88
American Federation of Labor (A. F. L.), 74, 95, 96, 115, 116, 117, 118, 119, 122, 123, 124, 208
American Labor, 34, 59, 74, 95, 118, 127, 140, 209, 223, 224, 225
Amiens, Congress of, 57
Amsterdam, Congress of, 1919, 96
Amsterdam International, 97
Anarchists, 54, 55, 72, 74, 95, 220
Anglo-Russian Trade Union Committee, 115, 129
"Arbeiter Zeitung," 183
"Associations for the Struggle," 210
Australia, 117
Austria, 21, 25, 52, 68, 99, 111, 131, 132, 133, 137, 140, 143, 184
Austria-Hungary, 216
"The Austrian Revolution," 183
Autonomous Unions, 153
Axelrod, Paul, 81

Bakunin, Mikail A., 54, 72
Balance of Class Forces, 102
Bartuel, Casimir, 185
Basle, Congress of, 87, 91
Bauer, Otto, 98, 135, 180, 183, 210 note
Bavarian People's Party, 52
Bebel, August, 45, 47, 48, 78, 79
Beer, Max, 34 note
Belgian Labor Party, 67
Belgium, 44, 67, 124, 125, 142, 216, 217
Belin, René, 112
Bentham, Jeremy, 77
Berdyayev, 81
Bernhard, Georg
Bernstein, Eduard, 21 note, 76, 77, 78, 92, 210
Besnard, Pierre, 60
Bevan, Aneurin, 202 note
Bevin, Ernest, 30, 181, 202
Blanc, Louis, 54
Blanqui, Auguste, 54, 72
Bloc vote, 43, 44
Blum, Leon, 98, 110, 111, 136, 151, 153, 154
Bismarck, 28, 48, 84
Boeckler, Hans, 227
Bolsheviks, 74, 75, 83, 85, 211
Boulding, K. E., 105 note
Bourses du Travail, 54, 55
Braun, Heinrich, 76
Brazil, 144
Brentano, Lujo, 47
Brèthe de la Bressaye, Jean, 152
British General Strike, 104

British Labor Movement, 110, 113, 117, 126, 138, 188
British Labor Party, 98, 100, 121, 132, 136, 142, 178, 179
British T. U. C., see British Trades Union Congress
British Trades Union Congress, 40, 44, 115, 120, 149, 169 ss., 181, 197, 198, 199 note
Bulgaria, 144
"Bund," 81, 83, 144
Burns, John, 76
Butts, R. Freeman, 216 note

C. F. T. C., see Confédération Française des Travailleurs Chrétiens
C. G. C., see Confédération Générale des Cadres de l'Economie Française
C. G. T., see Confédération Générale du Travail
C. G. T.–F. O., see Confédération Générale du Travail–Force Ouvrière
Canada, 117
Canadian Cooperative Commonwealth Federation, 144
Carey, James, 225
Carr, E. C., 85 note
Catholic Labor Organization, 154
Catholic Party, 130
Catholic Unions, 46, 124, 161
Center Party, 46, 52
"Charte du Travail," 157
Charter of Amiens, 58, 60, 61, 62
Chartist Movement, 40, 216
Cheyney, Eduard P., 20 note
Christian Trade Union Centers, 95, 125
Christian Unions, 52, 67
Churchill, Winston, 104
C. I. O., see Congress of Industrial Organizations
Citrine, Sir Walter, 120
Clacton-on-Sea, Conference of, 142
Class Consciousness, 32, 139, 140, 208, 214
Clegg, Hugh A., 179, 188 note
Coal-Mining, 104, 168, 178, 180, 182, 184, 185, 186, 189, 190
Co-determination, 185, 186, 187 note, 226, 227
Cole, G. D. H., 12, 77, 180, 182, 183 note
Collaborationists, 132
Collective Agreements, 30, 147, 176
Collective Bargaining, 147, 176, 188, 190, 191, 192, 193, 196, 197, 199, 200, 201, 204, 205
Collective Bargaining in Nationalized Industry, 189
Collective Security, 112, 121
Combination Act, 40
Comintern, see Communist International
COMISCO, 144, 145
Comités d'Entreprises, 155, 193, 194
Commission Supérieure des Conventions Collectives, 158
Committee of the International Socialist Conferences, 144
Commune, 53
Communist International, 65, 93, 97, 98, 99, 108, 135
Communist Manifesto, 77
Communist Party, 39, 46, 51, 59, 60, 62, 63, 64, 65, 66, 68, 69, 70, 83, 97, 99, 107, 109, 110, 112, 116, 120, 126, 129, 130, 131, 134, 135, 136, 137, 138, 139, 140, 144, 151, 157, 162, 192, 206, 220, 223
Competitive Sectional Bargaining, 149

Compulsory Arbitration, 150, 151 note, 159, 167, 168
Confédération Française des Travailleurs Chrètiens (C. F. T. C.), 155 note, 156
Confédération Générale des Cadres de l'Economie Française (C. G. C. E.), 154, 155, 156
Confédération des Syndicats Professionels (C. S. P. F.), 157
Confédération Générale du Travail–Force Ouvrière, 156
Confédération Générale du Travail (C. G. T.), 55, 58, 59, 60, 62, 66, 91, 94, 110, 112, 120, 151, 153, 154, 155, 156, 159, 161, 162, 163, 184, 192, 194, 220
Conference of Nineteen Socialist Parties, 142
Congresses, International Socialist, 87
Congress of Amsterdam, 79
Congress of Industrial Organizations (C. I. O.), 115, 116, 117, 124
Congress of Hamburg, 100
Conseil d'Etat, 154
Consultation, Joint, 182, 188, 189, 190, 193, 194
Contracting In, 41, 42
Contracting Out, 41, 42
Coordinating Committee of the International Trade Secretariats, 120, 121, 122
Copenhagen, Congress of, 87, 91
Cost of Living, 171, 174
Cripps, Sir Stafford, 110, 111
Czarism, 25 note, 64, 81, 82, 84, 85, 88, 210
Czechoslovakia, 52, 69, 111, 112, 136, 143, 144, 145

Daladier, Edouard, 110
Deakin, Arthur, 202
Delaisi, Francis, 101
Délégués du Personnel, 155
Democratic Centralism, 62, 65, 93, 98, 110
Democratic Federation, 40, 77
Denmark, 45, 52, 130, 131
Depression, 105, 106
"Der Weg zum Sozialismus," 183
Deutscher, Isaac, 12, 63, 210 note
Dictatorship of the Proletariat, 86, 137
Dobbs, A. E., 216 note
Dock Workers' Strike (Great Britain), 76
Dolléans, Edouard, 74 note
Dormoy, Jean, 74 note
Droit Social, 153 note, 155 note
Dubinsky, David, 124
Dutch trade unions, 67, 117, 125
Dutch Social Democratic Party, 67

Eastern Europe, 68, 69, 70
Eastern Germany, 144
Economic Democracy, 185
"Economie Dirigée," 158
"Economism," 210, 211, 213
"Economists," 81, 212
Education, 23, 215, 216, 217, 219
Ehrmann, Henry W., 12
Eisenacher, 217 note
Elasticity of demand for labor, 175
Engels, Friedrich, 72, 75, 138, 212
England, 111
Erdmann, Lothar, 53
Erfurt Program, 75
European Recovery Program, 119
Exchange Controls, 133
"Extension" of Collective Agreements, 152, 158, 159, 160

Fabian Society, 40, 42, 76, 179, 180, 182, 188

Fair Labor Standards Act, 150
"Fair Shares," 133, 167
Family, 23
Fascism, 101, 108, 132
Feudalism, 17, 18, 19, 23, 26, 31, 214
Finet, Paul, 125
First of May, 73, 74
First International, 71, 72, 87
Flanders, Allan, 170 note, 171 note, 199 note, 200 note
France, 22, 28, 39, 53, 54, 56, 61, 64, 65, 66, 71, 79 note, 87, 91, 95, 99, 109, 110, 111, 117, 120, 124, 129, 130, 131, 132, 137, 140, 142, 147, 151, 163, 167, 177, 178, 179, 184, 185, 187, 191, 193, 201, 214, 215, 220, 221, 222, 223, 226
Franco-Prussian War, 87
Free Trade Unions, 46, 51
Free World Labor Conference, 122
Front Organizations, 108
Frossard, L. O., 56
Full Employment, 141, 167, 168, 170, 174, 175, 195, 196, 203, 204, 205

Galenson, Walter, 11, 12, 45 note, 164 note, 205 note
Garbarino, J. W., 203 note
Gay, Peter, 21 note, 76 note
General-Kommission, 45, 46, 50
General Strike, 55, 88, 94, 104, 112, 157
Germany, 21, 24, 28, 39, 45, 48, 51, 52, 65, 68, 71, 74, 75, 80, 82, 87, 94, 99, 100, 106, 111, 131, 132, 133, 140, 143, 177, 178, 184, 185, 187 note, 209, 210, 219, 220, 221, 226
German-Russian Pact, 112
German Social Democratic Party, 82, 100, 143, 219
German Trade Union Federation (A. D. G. B.), 50, 51
Gewerkschaftsarchiv, 51 note
Goetz-Girey, Robert, 46 note
Gold Standard, 107
Gompers, Samuel, 37, 95, 96, 97 note, 208
Graves, F. P., 215 note, 216 note
Great Britain, 20, 23, 24, 28, 29, 30, 33, 37, 39, 47, 53, 65, 71, 76, 101, 103, 104, 106, 126, 130, 131, 133, 147, 151, 163, 167 ss, 175, 177 187, 198 ss., 206, 215, 216, 220 ss.
Great Depression, 105
Green, William, 123, 124, 126
Guesde, Jules, 53, 55, 57, 78 note, 79 note
Guild Socialists, 179, 180, 181, 182, 183
Gulick, Charles, 12, 219

Hamburg, Congress of, 100
Hanson, Alvin H., 34 note
Hardie, Keir, 40, 87, 89
Harrison, George, 124
Haywood, Allen, 124
Heckscher, Eli, 27
Higher Arbitration Court (France), 154
Hilferding, Rudolf, 99
Hindahl, Olav, 197
Hirsch-Duncker Unions, 45
Hitler, Adolf, 52, 109, 110, 111, 113, 178
Holland, 67, 124
Hueber, Anton, 95
Hungary, 44, 144
Huysmans, Camille, 95
Hyndman, Henry, 40, 77

I. C. F. T. U., see International Confederation of Free Trade Unions
I. F. T. U., see International Federation of Trade Unions

Inaugural Address, 71
Independent Labor Party (I. L. P.), 40, 42
Independent Political Action, 223
Independent Socialist Party, Germany, 48, 53, 99, 100
India, 144
Industrial and Labor Relations Review, 13, 117, 169, 207 note
Industrial Relations Handbook, 148 note, 149 note, 151
Industrial Unions, 165
Industrial Workers of the World (I. W. W.), 180
Industrialized Nationalization, 184
Inflation, 105, 167, 174, 175, 176, 196, 198
Inman, L., 164 note
Interim Report on Post-War Reconstruction, 181
International Association of Machinists, 119
International Association of Revolutionary Socialist Parties, 93, 98, 100, 134, 135
International Confederation of Free Trade Unions (I. C. F.-T. U.), 122, 123, 125, 126, 127, 129
International Federation of Trade Unions (I. F. T. U.), 95, 96, 100, 115
International Metal Workers Federation, 119
Internaitonal Secretariat of National Trade Union Centers, 94
International Trade Secretariats, 95, 119
International Transport Workers' Federation (I. T. F.), 119, 120
International Two-and-a-Half, see International Association of Revolutionary Socialist Parties
International Workingmen's Association, 71
Iskra, 81, 84, 211
I. T. F., see International Transport Workers' Federation
Italy, 22, 64, 67, 68, 71, 101, 129, 130, 131, 132, 136, 140, 143, 145, 178, 216

Japan, 144
Jaurès, Jean, 57, 79
Jeffreys, J. B., 197 note
Jevons, Stanley, 77
Job Control, 225, 227
Job-consciousness, 207, 208, 222, 224
Joint Consultation, see Consultation, Joint
Joint Factory Committees (Comites d'Entreprise), 155, 193, 194
Jouhaux, Léon, 59, 61, 112, 184, 223

Kautsky, Karl, 47, 75, 78
"Keeping Left," 198 note
Knowles, William H., 37 note, 208 note
Kondratieff Cycle, 33 note, 34
Kulaks, 85

Labor Courts, 217
Labour Government, 24, 106, 168, 180, 181
Labor Inspectors, 160
"Labour and the New Social Order," 179
Labour Party, 33, 40, 41, 42, 43, 44, 182, 202
Labor Representation Committee, 40
Labor and Socialist International (L. S. I.), 100, 121, 135
Lafargue, Paul, 53

Lassalle, Ferdinand, 45, 217 note
Latin-America, 117
Laurent, Charles, 62 note
Laval, Pierre, 56
Leipart, Theodor, 51
Legion, Karl, 46
Lenin, N., 75, 80, 81, 82, 83, 84, 85, 89, 92, 93, 98, 110, 209, 210, 211, 213, 214
"Let Us Face the Future," 182
Lewis, John L., 225 note
Liberalism, 26, 28
Liebknecht, Karl, 86
Liebknecht, Wilhelm, 47, 48
Linz program of the Austrian Socialists (1926), 137
Lipson, E., 18 note, 29
London Transport Bill, 181
Lorwin, Lewis L., 11, 12, 94 note
Lovett, William, 216
L. S. I., see Labor and Socialist International
Luxemburg, Rosa, 80, 86, 89, 93

Majority Socialists, 48, 53, 93, 100, 102
Mann, Tom, 76
Mannheim Agreements, 49, 51, 65
Marquand, H. A., 12, 218 note
Marshall Plan, 116, 117, 119, 120, 130, 134, 141, 144, 162
Martov, Julius, 80, 81, 83, 89, 211
Martynov, 83
Marx, Karl, 21 note, 35, 45, 53, 57, 71, 72, 75, 77, 81, 100, 106, 108, 138, 139, 143, 211, 212, 213
Marxian Center, 99, 134, 135, 137
Matignon Agreement, 151
Mayer, Daniel, 158
McCormick, T. C. T., 37 note, 208 note
McDonald, David, 124
MacDonald, J. Ramsay, 24, 40, 77, 107
McKelvey, Jean T., 151 note, 169 note
McPherson, William M., 187 note
Meany, George, 124
Mensheviks, 74, 75, 83, 84, 85, 211
Mercantilism, 26, 29
Metal Workers' Union, Austria, 52
Metal Workers' Union, Germany, 48
Meyer, R., 217 note
Michels, Robert, 24, 213 note, 217, 218 note
Millerand, Alexandre, 56, 79 note
Miners Unions, French, 185
Minimum Wage, 150, 160, 192, 193
Mining, 186
Ministerialism, 79
Monatte, Pierre, 60
Monmousseau, Gaston, 60
Montreuil, Jean, 53 note, 57 note
Morrison, Herbert, 180, 181
Morton, Walter A., 175 note
Mosley, Oswald, 24
Most representative organizations, 152, 153, 154, 155, 161
Munich, 111
Myers, Charles A., 12

Napoleon III, 87
National Agreements, 149, 163
National Arbitration Tribunal, 150
Nationwide Collective Agreements, 149
National Federation of Bourses, 55
National Labor Relations Board (N. L. R. B.), 148 note, 221
National Wages Board, 200

Nationalization, 132, 167, 177, 179, 182, 185, 187, 188, 193, 205
Nationalized Economy, 136
Nationalized Industry, 117, 123, 126 note, 148, 159, 177, 194, 195, 222, 226
Nazism, 109, 132, 134, 137, 140
"Neue Zeit," 80
New Unionism, 76
New York State School of Industrial and Labor Relations, Cornell University, 11
New Zealand, 117
N. L. R. B., see National Labor Relations Board
Non-Intervention in Spain, 121
Norway, 45, 130, 131, 147, 163, 164, 165, 167, 173 ss., 197, 199, 201, 205
Norwegian Labor Party, 164, 165
N. V. V., see Dutch trade unions

Oldenbroek, J., 120, 125
Osborne Case, 42 note
Oudegeest, Jan, 95
Ousland, Gunnar, 202 note

Pacifists-Internationalists, 91, 92, 96, 99
Paine, Thomas, 31
Parliamentarianism, 55
Parti Social Français, 157
Party of Labor (Holland), 67
Pelloutier, Fernand, 54, 55, 56, 57
Perlmann, Selig, 12, 37 note, 50 note, 207, 208, 211 note, 213, 218 ss.
Perreux, 66, 120
Place, Francis, 216
Plekhanov, Georgi V., 81, 83, 84, 211 note, 212, 213, 214
Poale, Zion, 144
Poland, 52, 143, 144, 145
Polit-Bureau, 65
Political Action, 33, 58
Political Levy, 41
Political Movements, 37
Political Party, 37, 38
Political Unionism, 68
Popular Democracy, 66, 136
Popular Front, 62, 110, 112, 151, 152
Port of London Authority, 177, 178
Potresov, 81
Pressure Group, 223, 224
Price Controls, 133, 134, 168, 174
Price Stability, 204, 205
Price, John, 12
Productivity, 203
Profintern, 97
Proudhon, 54
Prussia, 21, 216
P. S. L. I., 144, 145
Puritans, 29

Quinton, 60
Quislings, 132

Racamond, 60
Radek, Karl, 93
Radicals, 48, 78, 79, 102
Railwaymen, 52
Rationing, 133, 134, 168
Raynaud, 66
Red International of Labor Unions, 97
Reder, M. W., 206 note
Reed, Paul, 124
Reformism, 135
Regional Organizations, 125
Reich, Nathan, 12
Renault, 179
Reuther, Walter, 123, 124, 125, 126, 225
Revisionists, 48, 74, 79, 81, 102, 138, 141, 210, 219
Revolution of 1905, 84

Revolutionary-Defeatists, 91
Reynolds, Lloyd G., 222 note
Robbins, J. J., 12
Roll, Eric, 27
Romania, 144
Romita, Giuseppe Josef, 68, 144, 145
Romita-Silone group, 144
Rosmer, 60
Russia, 22, 64, 69, 81, 88, 210, 212, 216, 217
Russian Social Democratic Party, 210, 211

Saillant, Louis, 66, 116, 120
Sankey, Sir John, 180
Saposs, David, 12
Saragat, Giuseppe, 68, 130, 144, 145
Schumacher, Kurt, 143
Second International, 73, 74, 86, 87, 93, 94, 95, 98, 99, 100, 135
Self-Restraint, 196
Semard, Pierre, 60
Shaw, G. B., 77
Shinwell, Emanuel, 182
Shop Steward, 155, 206
Silone, Ignazio, 68
Singer, H. W., 198 note
Snowden, Philip, 106, 107
Social-Democratic, 38, 45, 46, 48, 51, 83, 108, 142, 211, 212
Social-Fascism, 108, 110
Social Patriots, 91
Social Security, 141
Socialism, 32, 35 note, 38, 40, 62, 63, 69, 70, 73, 76, 77, 88, 102, 129, 130, 131, 133, 134, 177, 202, 205, 212, 220
Socialist-Communist Split, 135, 137, 143
Socialist Conference of the United Nations, London, March, 1945, 142
Socialist Economy, 135
Socialist Parties, 33, 40, 50, 52, 54, 56, 58, 69, 75, 95, 108, 121, 137, 144, 217, 222
Socialist Party of the United States, 144
Sorge, E. A., 73
Soviet Trade Unions, 63
Soviet Union, 66, 84, 115, 116, 117, 130, 136, 162, 205, 220
Spanish Civil War, 111, 121
Statut, 191, 192
Stekloff, G. M., 71 note, 72 note, 73 note
Strikes, 192, 196, 198, 202
Struve, Peter, 81
Sturmthal, Adolf, 12, 16 note, 47 note, 61 note, 70 note, 103 note, 105 note, 106 note, 116 note, 220 note
Stuttgart Congress, 87, 92
Suffrage, 19, 20, 21, 22, 23, 40, 124
Sweden, 22, 45, 130, 131, 165
Switzerland, 52, 125
Syndicalism, 55, 56, 57, 58, 60, 65, 78 note, 151, 177, 179, 180, 206, 220
Syndicate, 112

Taxation, 141
Teitgen, P. H., 153 note
Tessier, Gaston, 155 note
Third Force, 130, 139
Third International, see Communist International
Third Period, 108
Thomas, Albert, 221 note
Thomas, James, 24
Tillet, Ben, 76
Tito, 136
Tollet, 66
Totalitarian Dictatorship, 134
Totalitarianism, 86, 136, 206, 225

Trade Boards, 150
Trade Union Advisory Committee of the Marshall Plan, 122, 125-6
Trade Union Congress, see British Trades Union Congress
Training Institute of the International Ladies' Garment Workers Union, New York, 11
Transport and General Workers' Union (Great Britain), 202
Trotsky, Leon, 83, 84
Tugan-Baranovsky, 81
T. U. C., see British Trades Union Congress
Twenty-One Conditions, 65, 97
"Two Tactics of Social Democracy," 84

Ulyanov, see Lenin
Unemployment, 204
"Unita Socialista," 144
United Front Strategy (United Front), 66, 69, 108
United States, 23, 30, 31, 32, 37, 38, 41 note, 54, 74, 117, 125, 126, 134, 141, 148, 173, 186, 207 ss., 215, 217, 219, 227

Vaillant, Edouard, 57, 88, 89
Verdier, 60
Versailles Treaty, 111
Viaticum, 94
Vichy Government, 28, 66, 157
Viviani, René, 56
Vollmar, Georg von, 76
Voluntarism, 138

Wage Boards, 172, 173
Wage Differentials, 149, 167, 170
Wage Restraint, 175
Wage Stops, 133
Wages Policy, 149, 170, 172, 174, 197, 199 note, 200, 202
Wages Stabilization, 197
Wagner Act, 148, 152
Waldeck-Rousseau, 79 note
Wallas, Graham, 77
War Labor Disputes Act, 221, 222
Webb, Sidney and Beatrice, 12, 77, 98, 179
Weimar period, 53, 107
Western Germany, 132
W. F. T. U., see World Federation of Trade Unions
"What Is to Be Done?", 82, 211, 212
Williamson, Tom, 198 note
Woll, Matthew, 124
Wooton, Barbara, 200 note
"Workers' Control," 181, 222
Workers' Group of the I. L. O., 122
Workers' Participation in Management, 194
World Federation of Trade Unions, 116, 117, 118, 119, 120, 122, 123, 129, 221 note
World War I, 91, 148, 151
World War II, 129, 132, 135, 150, 152, 157, 178, 223
Wunderlich, Frieda, 47

Yellow Dog Contract, 47
Yugoslavia, 144

Zazulich, Vera, 81
Zinoviev, Gregory E., 99
Zwing, Karl, 53

HD8376 .S934
Unity and diversity in European labor
Princeton Theological Seminary–Speer Library
1 1012 00138 2078